CHAPTER-10

CONCEPT OF VOLUNTARY RETIREMENT SCHEME (V.R.S)
(A) Introduction:

This is a peculiar type of scheme formulated for allowing of permanent retirement employees on their own accord. In this scheme it is provided that apart from the normal terminal benefits, the applicants (who are granted) will be entitled to an ex-gratia payment to compensate the monetary loss and provide them fairly satisfactory chance to develop a resource to fulfil future needs of employee due to pre-mature retirement.

In a nut shell functions of a personnel dept. in an organisation can be defined as:- Planning, organising, directing and controlling of Procurement, Development, Maintenance, Integration and Separation of human resource to accomplish social, organisational and individual objectives. At present, when the world is becoming global village, an industry cannot keep itself apart from global changes in technology and other advanced aspect. But since our country is still in developing stage, so we can neither wholly adopt the liberalised global policy nor ignore the global economy requirements.

During Independence, it was felt that political Independence without economic self would be detrimental to the country’s sovereignty and autonomy in policy making. Hence the basic
objective of Industrialisation was-

A. To build infrastructure for economic development & promote rapid economic growth.

B. To create employment opportunities.

C. To create a self-reliant economy through the development of local Industries for import substitutions & by encouraging and promoting exports.

But in present economic scenario though objectives above said remains unchanged but approach towards its achievement has been changed, in accordance with the problems which were observed in each sector of Indian Industries in terms of :

A. Low Productivity

B. Low project management skills

C. Over manning

D. Lack of technological upgradation

(Inadequate attention of infrastructure development and R&D)

And finally low priority to human resource development.

Thus, in present decade industries are paying greater attention on manpower planning so that could complete the global challenges. The industries are concentrating on manpower planning to achieve the following two specific objectives:
A. To improve the utilisation of the manpower available to an organisation.

B. To deal with present or future manpower surplus or shortage in any given category of employees due to changing needs.

But due to our political, social & economic system neither public nor private sector is in a position to take decisions regarding manpower, arbitrarily. Different legislative measures are in practice to protect the interests of work force. Therefore, industries are adopting a middle-way to achieve the above said objectives as well as to protect employee's interests.

Recently Dr. Amartya Sen Nobel laureate, in welfare economics for 1998 has expressed his opinion on globalisation that "Though globalisation and liberalisation of economy is beneficial nevertheless developing countries should step ahead towards it, after ensuring sufficient social security measures."

So in the view of above discussed all social, political legal constraints both public & private enterprises which are chronically sick or in grip of low profitability, have formulated revival rehabilitation schemes. V.R.S. is one of such revival/ rehabilitation package along with the following interests of organisations:

A. To achieve optimum manpower utilisation.

B. To improve the average age mix of the employees/ officers.

C. To improve the overall skill level.
B) V.R.S. in Golden Handshake or Golden Boot

R Plus R equal to R

Recession Plus Retrenchment equal to Robbery or Ruin.

The R word of recession also spells retrenchment, robbery and ruin. The difference between traveling business and traveling economy is not the difference between life and death. The real drama and after tragedy is at the blue collar level. Companies may have no option to cut their losses, but what has happened to the thousands of workers whose lumpsum settlement has been eroded by inflation and when other incomes are hard to find.

The Sunday Times investigates the spiral, the solution and the human despair behind the cold economic cliches.

Why are the majority of blue-collar workers who have accepted VRS jobless, bankrupt and even suicidal?

Radha Rajadhyaksha on the often devastating effects of downsizing.

It goes, somewhat politically by the sobriquet 'Golden Handshake'. But, as people who've succumbed to its seductions are aware, the gold could turn out to be nothing more than gilt or even dross.

On the face of it, the benefit of the handshake- better known as the voluntary retirement scheme-alluring enough. Hand in your
resignation and take a plump cheque in exchange- you can always get another job, and the returns on your VRS money will be the icing on the cake. Alternatively, invest the money in a business of your choice and watch it multiply. Either way you can't lose.

But it doesn't always work that way. As several studies on the subject have shown, the VRS is a different ball game for different section of the workforce while the upper echelons, who move on to another job with relative lace, may well benefit from it. It is the blue-collar segment that invariably loses out. And given that a large chunk of downsizing over the last 10 years has been going on in this segment, there are post-VRS horror stories in almost every company.

A study published by the Maniben Kara Institute in 1994 (Report on Voluntary Retirement Scheme and workers response) brought out some interesting facts about blue collar workers and the VRS. Based on a sample of workers in the Bombay and Thane regions, the study revealed that though termed "voluntary" the retirement in 62 percent of cases was a result of fear of one kind or another (a fraction feared the use of physical force, while for the majority the fear was that of their uncertain future in the era of liberalisation). In some cases, this fear was intentionally created by precedent management propaganda. There were other casual factors:

- Some workers had pressing financial needs and loans to pay off.
- A minuscule minority were sick or too old to work any more.
- Some dreamed of returning to their villages.
- Some wanted to set up their own business.

Whatever the motivation, however, the outcome in a majority of cases was dismal.

For instance, most of the retired workers who tried to get fresh employment failed because of their advanced age, their lack of skills, and the general shortage of jobs. Those who did have to work at vastly reduced wages, mostly for contractors of the segment that tried to set up a small business. Only those who had prior experience of self employment benefited- 69 percent, who had no notions or experience of business, failed miserably and ended up on the streets.

Workers from various companies, who had accepted the VRS were now at a highly diminished standard of living, a few, unable to make ends need, had committed or attempted suicide. The one "Success story" on a worker who took to selling bananas was due to the fact that the worker had prior experience of hawking. At a slightly more elevated level in the work force; the VRS can cause problems other than financial. An employee recounts the case of a technician working in a MNC's research centre. "After opting for the golden handshake, he was unable to get another job' he says his wife got to him so badly that he finally committed suicide.
With report from Vandana Aggarwal in Delhi and Gulnaar Mirza in Bangalore.

Source: The Times of India, Lucknow, 27th September, 1998

(C) Voluntary Retired Person's Statement:

Arvind Tamboli

He was a highly skilled worker at Hindustan Lever Ltd. When he accepted voluntary retirement during a lock-out in 1989 he got a lump sum of Rs. 80,000 and 1,600 per month as a pension for his remaining years of work. After quitting, Tamboli tried a variety of ways to earn some money but failed everywhere. His last attempt was as a contractor supplying material to HLL. HLL, in keeping with its policy of not giving credit, refused it to Tamboli who was down to his last rupee. In despair, he threw himself under a train Dombivli. Had he not accepted the golden handshake, Tamboli would be earning Rs. 12,000 a month today.

David Fernandes

I took voluntary retirement from Bush India Ltd. Where I was assistant to the head of the inspection department in 1992. My salary at that time was Rs. 4,200 per month and I'd been working for 27 years. A lot of us accepted VRS because the company was not doing too well. The union, which was hand-in-glove with the management, encouraged to us to leave, saying we'd definitely get the money. After accepting our resignations, however, we were told there was no money, but if we left the sum we were to receive in my
case Rs. 2,50,000 inclusive P.P. and gratuity-with them for three years. They'd pay us 24 percent interest on it. We had no choice but to accept. The owner, J.R. Mulchandani, assured us he'd give us the interest for three years in advance, in 36 cheques. After receiving the first nine cheques—out of which three bounced—the money stopped coming. We filed a case against him which is still going on. Luckily my wife is working, so we're still surviving. But it's very difficult to manage on one salary.

Balkrishna Mohite

I took VRS from Hindustan Lever in 1989, after 16 years as an unskilled worker in the hard soap department. My salary was Rs. 2,250. I was forced to take VRS because there was a lock-out going on, and the management had told us that they wouldn't reopen. I received Rs. 1,46,000 in a lump sum. Invested it in FDs and so on and within 15 days, started selling bananas from a handcart. My profit today is around Rs. 200 a day. The interest of my VRS investment is Rs. 12,000 or so a year. I find this much better than a job and I am happy. My family lives comfortably and I save some money as well. But not every worker can do this. I could because I used be a vegetable seller before taking up a job, A neighbor of mine, who also accepted VRS from his company and started selling vegetables had no prior experience of self employment, and is in dire straits today.

With report from Varidana Aggarwal in Delhi and Gulnaar Mirza in Bangalore.
(D) Ministries Differ Over VRS for PSU Employees:

Inter-Ministerial differences have cropped up over the feasibility of implementing the voluntary retirement scheme (VRS) 1998 proposed in the Central budget for 1998-99. The differences are over the enhanced benefits proposed over the budget scheme, surplus labour in chemically loss making public sector enterprises (PSEs).

While most ministries have said that there are no funds for implementing the proposal, the ministry of textiles and the department of heavy industry in the ministry of industry have supported the proposal, say officials.

Officials say that notwithstanding this as well the fact that some ministries have not given their comments, a note will be prepared and put upto the Industry Minister Sikander Bakht for cabinet clearance.

The VRS proposal which has been circulated amongst various ministries for comments was an improvement over that mooted by the finance minister Yashwant Sinha in the Central budget for 1998-99. This proposal was similar to that followed by the Gujarat State Government for its states enterprises, which had been highly successful in eliminating surplus staff, according to officials.

The scheme proposed would apply to employees of all age groups and would involve payment of upto 35 days of wages for
each year of service. In addition, 25 days wage for each year service left upto retirement would be paid subject to a minimum pay out of Rs. 25,000.

On the other hand, the scheme proposed in the budget entailed payment of 45 days wages for each completed year of service, subject to the maximum salary accruable on the balance of years of service left. Beside this, those who had completed not less than 30 years of service would be eligible for a maximum of 5 years salary.

Official say that the scheme was modified as it was found that it was not likely to be attractive enough to induce surplus workers to leave. Moreover, there were relatively few employees who had put in 30 years of service.

The modified scheme say officials, would be applicable to all those PSEs which are sick and are before the Board for Industrial and Financial Reconstruction (BIFR). It would also be applicable to all those units which are consistently making losses and heading for closure.

Management of profit making, PSEs could also follow this scheme, provided that there were no demands from the central exchequer, say officials.

Meanwhile, the Standing Conference on Public Enterprises (Scope) on Tuesday welcomed government decision on Voluntary Retirement Schemes (VRS) for the employees of eight sick public
sector units (PSUs) to make these units effective to prospective buyers.

Government can make the scheme more effective by detaching it from the national renewal fund (NRF) Scope chairman Uddesh Kohli said.

VRS should be merged with public sector enterprises (PSE) restructuring fund and the same could be used to support integrated restructuring plan of individual PSUs besides providing compensation to workers of PSE facing closure, he said.

Kohli said NRF after exclusion of VRS, could be renamed as National Redeployment Fund.

Source: The Times of India, Lucknow, 5th Nov., 1998

(E) Highlights of VRS:

(i) V.R.S. in IFFCO:

Objectives:

With a view to reduce surplus manpower, voluntary retirement scheme has been introduced.

Applications:

1. The scheme will be applicable to all regular employees of IFFCO.

2. The scheme will be applicable to such employees who
have completed 10 years of service in IFFCO or completed 40 years of age.

3. The voluntary retirement will be granted on specific written request of the employees.

4. The scheme shall be granted at the discretion of IFFCO Management and it will not bestow any right on an employee to seek voluntary retirement as matter of right.

The vacancy caused by voluntary retirement scheme would not be filled up by direct recruitment.

**Payment under the scheme:**

The terminal payment available to an employee who seeks voluntary retirement would be-

1. The balance in his provident fund account payable as per the C.P.F. regulations.

2. Cash equivalent or accumulated earned leaves as per the rules of the society.

3. Gratuity as per Gratuity Act or the Gratuity scheme applicable to the employees of the society.

4. Notice pay as per the service conditions.
5. Ex-gratia payment equivalent to one and half months’ emoluments (say DA) for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement whichever is less.

6. In addition the employee and his dependent family members would also be entitled to travel by the entitled class to the place where he intends setting down.

7. The amount due to the society from the employees shall be recovered from the amount payable to the employee under the scheme.

8. The Scheme is independent and without any prejudice to the rights of the society to expense the service of employees either under the terms and conditions of the employment or under the standing orders/Disciplinary rules as may be applicable to the employees.

The Board may discontinue this scheme at any time.

1. However this scheme shall be in operation for the one year and thereafter at the discretion of the Board.

2. This scheme can be at-ended/Modified/ altered at any time by the board.
(ii) Highlights of V.R.S. in HMT:

Objectives:

1. To achieve the optimum level of manpower with the desirable average age mix as per the changing need of the organisation.

2. To provide necessary Manpower adjustments or replenishment by deployment or transfer of the existing employees in different unit offices and to improve the overall levels of skills and productivity.

3. To provide monetary benefits in terms of terminal benefits and voluntary retirement compensation to the employees who opt for voluntary retirement.

Structure

There shall be two schemes of VRS viz. Scheme A & Scheme B.

Scheme A:

The scheme is applicable to all regular/ permanent employees of the company in WG Cadre who have put in less than 15 years of service and are below the age of 45 years as on the date of submission of application for V.R.S.

Scheme B:

The scheme is applicable to all an regular/ permanent
employees of the company as notified from time to time, in WG as well as PS cadre, who have put in 15 years of service or more in the company and who are of age of 45 years & above as on the date of submission of application.

**BENEFITS:**

1. **Under Scheme A:**

   The eligible employees requesting for voluntary retirement, subject to acceptance of their requests by the competent authority, shall be entitled to receive $\frac{v}{2}$ months salary for every completed year of service subject to a maximum of 22 months salary.

2. **Under Scheme B:**

   The eligible employees requesting for voluntary retirement subject to acceptance of their requests by the competent authority, shall be entitled to receive benefits at the following rates for the remaining period of service, prior to the date of retirement on superannuating from the service of the company:

   - For less than 1 year of remaining service ----------------------------- Nill
   - One year of remaining service ------------------------------- 6 months salary
   - Two year of remaining service ------------------------------- 11 months salary
   - Three year of remaining service ------------------------------- 15 months salary
   - Four year of remaining service ------------------------------- 18 months salary
Five year of remaining service ------------------------ 20 months salary
Six year of remaining service ------------------------ 21 months salary
Seven year of remaining service ---------------------- 22 months salary
Eight year of remaining service ---------------------- 24 months salary
Nine year of remaining service ---------------------- 27 months salary
Ten year of remaining service ----------------------- 30 months salary
Eleven year of remaining service --------------------- 33 months salary
Twelve year of remaining service -------------------- 36 months salary
Thirteen year of remaining service ------------------ 39 months salary

Provided, however, that the maximum benefit payable under scheme B shall not exceed the amount equivalent to 1½ month's salary for each completed year of service.

The following terrain-benefits shall be payable under scheme A&B:

1. Leave salary for the unveiled earned leave, the quantum of which shall not exceed the maximum limit upto which earned leave can be accumulated under the rules of the company.

2. Full provident fund contribution of the employer with accretions there to in the account of the employee.
subject to the provisions of the P.F. rules of the company.

3. Gratuity as per the provisions of the Payment of Gratuity Act, 1972.

4. Home town settlement allowance as per the rules of the company.

GENERAL CONDITIONS:

1. Leave salary for the unveiled earned leave, the quantum of which shall not exceed the maximum limit upto which earned leave can be accumulated under e rules of the company.

2. All outstanding loans advances, recoveries, and other dues from the employer permitted to retire under the scheme shall be fully adjusted against the benefits payable under the scheme.

3. Recovery towards income tax will be as per the extent statutory provisions.

(iii) Highlights of V.R.S. in B.P.C.L.

V.R.S. was announce with effect of 1991. This scheme is absolutely with in the hands of management. The management can withdraw at any without any notice or reason.
Details of Scheme:

1. Ex-gratia benefit amount consisting of basic pay plus D.A. to the retiring employees will now be multiplied by the number of month's of service left and not on the basis of the month's basic pay plus D.A. for the number of years of service left.

2. One and half month's basic pay plus D.A. for the numbers of years of service rendered in the company.

3. In the existing scheme no notice pay amount is admissible but in the modified scheme retiring employees will also be entitled for one/ three months amount of basic pay plus D.A. as notice pay as applicable in case of non-executive, Executive, employees respectively.

Eligibility:

1. Employees who have completed 40 years of age and 10 year's of continuous service in the Company.

2. Employees against whom disciplinary or vigilance case is pending shall not be ordinarily considered for voluntary retirement. However, if the competent authority is satisfied that it will be in the overall interest of the organization, it can allow such employees to seek voluntary retirement.
3. Now with standing the eligibility as above the competent authority at its discretion may accept or reject the request of any employee for voluntary retirement under this scheme.

(iv) **Highlights of V.R.S. in I.T.I:**

**Introduction**

A scheme for allowing retirement of officers/ non officers on their own accord is offered to the employees and officers upto grade four in I.T.I. excluding Plakkad and Mankapur units subject to the following terms and conditions.

**Objectives:**

1. To achieve optimum manpower utilisation.

2. To improve the average age mix of the employees/officers.

3. To improve the overall skill level.

**Compensation:**

An officer/ Non officer whose request for voluntary retirement is accepted will be entitled to the following normal terminal benefits:

1. Gratuity

2. Provident Fund
3. Encashment of admissible privilege leave if any at credit.

4. Payment for TA/DA to the officer/ non-officer and his/her family members to move to his/her home town as per TA rules.

**Ex-gratia Payment Under Scheme:**

In addition to the normal terminal benefits they will be entitled to ex-gratia payment as detailed below:

- One and half month’s emoluments (Basic pay plus DA) for each completed year of service.

  OR

- The months emoluments (Basic pay plus D.A.) at the time of retirement multiplied by the balance months of service left before normal date of retirement.

  Whichever is less.

(v) **Highlights of V.R.S. in GEC ALSTOM:**

**Objectives:**

1. To provide necessary manpower adjustments or replenishment by deployment or transfer of the existing employees in different units/ offices and to improve the overall levels of skills and productivity to achieve the concept of "Green field organisation."
2. To provide monetary benefits in terms of terminal benefits and voluntary retirement compensation to the employees who opt for voluntary retirement.

Structure of the Scheme:

The scheme provides following three options:

Option A:

Rs. 50000/- on cessation of the service as V.R.S. compensations Rs. 50000/- after one year Rs. 40000/- after two years.

Option B:

One time lumpsum of 1 lakh of V.R.S. compensation.

Option C:

Monthly payment at the rate of last drawn salary (Basic + D.A. + H.R.A. per full calender month subject to the maximum ceiling Rs. 3000/- & minimum ceiling of Rs. 2500/- per full month calendar so till the age of 58 years and on reaching 58 years one time lumpsum of Rs. 1 lakh.

Following terminal benefits shall be payable under each option:

1. Earned leave encashment.

2. Payment of full provident fund contribution.
3. Gratuity as per the provisions of Payment of Gratuity Act 1972.

**Comparison of common features of V.R.S.:**

**Housing:**

This facility is available in IFFCO & HMT to most of the employees either in the form of residential colony or in form of sufficient H.R.A.

But in BPCL & ITI this facility is not provided in form of residential colony only the employees are given H.R.A. in GEC this facility is available to a few employee in worker & staff grade and in executive cadre employees are either given retail accommodation or its corresponding compensation.

**Medical care centre:**

This facility is available in IFFCO, HMT, ITI, BPCL 85 GEC to all those who are not covered in ESIC and those who are covered under the ESIC they are referred to ESI hospitals for such facility.

**Education:**

This facility prevails in IFFCO & HMT but in BPCL, ITI & GEC it is lacking.

**Recreation:**

This facility is available in IFFCO & HMT to all the employees
in each category but in GEC it is only for Executives where as in BPCL & ITI this facility is not available.

V.R.S.:

In all the surveyed industries V.R.S. has been offered to their regular employees only.

Highlights of The Latest VRS Offer:-

In September of 1998 the Central government announced a proposal offering higher compensation for voluntary retirement of employees to speed up closure of consistently loss making central public sector enterprise.

- The proposed scheme will be applicable to employees in all age groups and will entail payment of upto 35 days wages for each 3 year of service plus 25 days salary for each year left up to retirement. The latter would be subject to a minimum payment of Rs. 25,000.00. The scheme announced in the budget provided that workers in units which are closed would be entitled to 45 days wages for each year of service, subject to the maximum wage accruable on the basis of balance of years of service. In addition, those workers who have completed at least 30 years of service would also be eligible for a maximum of 5 years of salary. This budget proposal was discussed by the committee of secretaries and modified subsequently.
A present the finance ministry has circulated the note, containing the fresh proposal amongst various ministries for their comments. Official say that once the comments are received, it will be put up to the cabinet for clearance.

The modified proposal is tailored on the one being implemented by the Gujarat government for the state level public sector Enterprise. Officials say it was noted that the Gujarat government had managed to get rid of a large number of surplus workers from state undertaking through the scheme.

Source: The Times of India, Lucknow, 27th Sept., 1998

(Suggested that the monthly installment should be revised from time to time it should not be paid at a uniform fixed rate).

F. Suggestions of Respondents in different organisations:

IFFCO:

1. Voluntary retirement scheme should be open through out the year.

2. There should not be any age and service period limitation and all applicants should be granted.

3. Compensation package should be revised.

4. Payment system should be expedite.
HMT:

1. Compensation package and payment system should be improved.

2. Pension benefit should be continued with VRS.

3. Medical and education benefit should be continued after VRS. In B.P.C.L & I.T.I, most of the respondents expressed more or less similar view as above.

GEC:

1. There should be no age & service period limitation.

2. A monthly installment, which is fixed at the time of V.R.S., should be revised in accordance with the cost of living from time to time.

3. After availing V.R.S. but before the age of super annuation if an employee is dead his ward should be given employment along with the arrear benefits.

BALCO:

This public sector unit is situated at Chattisgarh - M.P. The process of conversion of BALCO from public sector to privatisation has given birth to industrial unrest. The management of the plant has been delegated to private company "Sterlite" which has been opposed by the labour union and consequently resulted to strike. The allegations from union and counter allegation by new
management has put them before the court. The political interference of the Chief Minister of Chattisgarh Mr. Ajeet Jogi has strengthened the labour power to oppose the negotiation of the Central government.

Central Government filed the case in Supreme Court and Supreme Court announced the judgment in favour of Central Government decision.

No doubt the total episode has adversely effected the overall relations among worker, management and Govt. It has badly effected the image of the plant and marketability of the product. The workers have fear in their mind that their job is insecure even after the opening of the plant.

The story from public sector to privatisation shows the lack of foresightedness of the Central Govt. No previous plateform of rapport was formed to implement the decision. Ultimately local govt. labour and management came to conflict and the matter shifted to legislative body supreme court.

In democratic Country like India such decisions should be bilateral inspite of forced one to maintain the productivity and Industrial Harmony.

Threat by GEC Employees (Alsthom)- Labour Union has given ultimation to Management that if their pending decision pay scale revision from last 26 months is not finalised as early as possible, they will apply the tactics of blocking roads, stopping officers entry.
Maruti Udhyog Ltd, is the latest example-

(Better support to VRS in Maruti Udhyog Ltd.):

Instead of retrenchment the Maruti Udhyog has introduced V.R.S. for its employees to avoid employees resentment. Company has introduced V.R.S. to its 'Employees just one month before and got success to reduce manpower by 19% of total strength and it has been supported by its employees. Total 1050 employees have taken premature retirement under V.R.S. Out of total 24% employees are the member of union. Average amount paid to employees under V.R.S. is 6.5 lakh each and the company has made total payment of Rs. 66.46 crores.

Source Dainik Jagran (31st October, 2001)
A Brief Introduction:

In the post independence era when India was moving towards Industrialisation, the major thrust of the Government was in the core sector (Public). With this objective, Heavy Electricals (I) Limited was set up in BHOPAL in August, 1956 with a view to reach self-sufficiency in Industrial products and power equipments. This plant was set up under technical collaboration of M/s AEI, U.K.

Three more plants were subsequently set up at Tiruchy, Hyderabad and Haridwar with Soviet and Czechoslovakian assistance in May 1965 and Jan. 1967 respectively.

As there was a need for an integrated approach for the development of power equipment to be manufactured in India. Heavy Electricals Ltd. Bhopal was merged into BHEL 1974.

BHEL has now become the largest Engineering and Manufacturing Company employing about 52,000 employees it's headquarter is located at Delhi and there are 14 manufacturing units.

BHARAT HEAVY ELECTRICALS LIMITED JHANSI (UNIT)

A Brief Introduction:

By the end of 5th Five Year Plan, it was envisaged by the planning commission that the demand for power transformer would rise in the coming years. Anticipating the country's requirement,
BHEL decided to set up a new pant, which would manufacture power and other type of the transformers in addition to the capacity available at BHEL Bhopal. The Bhopal plant was engaged in manufacturing of transformers upto 50 KVA. 132 KV Class and other transformers like Instrument Transformers, Traction transformers for Railway etc.

This unit of Jhansi was established about 14 km from the city on the N.H. No. 26 on Jhansi- Lalitpur road. It is called second generation plant of BHEL and was set up in 1974 at an estimated cost of Rs. 16.22 crores inclusive of Rs. 2.1 crores for township. It's foundation was laid by Late Mrs. Indira Gandhi the then Prime Minister on 9th Jan 1974. The commercial production of the unit began in 1976-77 with an output of Rs. 53 lacs.

This plant of BHEL is equipped with the most modern manufacturing processing and testing facilities for the manufacture of power, special transformer and Instrument transformers, Diesel shunting Locomotives and AC/DC Locomotives. The layout of the plant is such that it is well streamlined to enable smooth material flow from the raw material stages to finished goods. All the feeder bays have been laid perpendicular to main assembly bay and in each feeder bay raw material smoothly gets converted to sub-assemblies, which after inspection are sent to main assembly bay.

The raw material that is needed for manufacture, is used only after thorough material testing in the testing lab and with strict...
quality checks at various stages of productions. This unit of BHEL is basically engaged checks at various stages of transformers of various type and capacities. With the growing competition in the transformer section, in 1985-88 it undertook the re-powering of DESL. Subsequently it started manufacturing complete Diesel Electric shunting Locomotives of various ranges. BHEL has progressed a step further in undertaking the production of A/C Locomotives for Indian Railways. And subsequently it is manufacturing AC/DC Locomotives also.

BHEL Objectives:

A dynamic organization is one which keeps its aim high, adapts itself quickly to changing environments. So here we are in BHEL. The objectives of the company have been redefined in the corporate plan for the 90's.

Business Mission:

To maintain a leading position as supplier of quality equipment, systems and services in the fields of conversion, transmission, utilization and conservation of energy for application in the areas of electric power, transportation, oil and gas exploration and industries.

Utilize company's capabilities and resources to expand business into allied areas and other priority sectors of the economy like Defence, Communication and Electronics.
Growth:

To ensure a steady growth by enhancing the competitive edge of BHEL in existing business, exploring new areas and international market was to fulfil national expectations from BHEL.

Profitability:

To provide a reasonable and adequate return on capital employed, primary through improvements in operational efficiency, capacity utilization and productivity and generate adequate internal resources to finance the company's growth.

Focus:

To build a high degree of customer confidence by providing increased value for money through international standards of product quality performance and superior customer service.

People Orientation:

To enable each employee to achieve his potential, improve his capabilities, perceive his role and responsibilities and participate and contribute to the growth and success of the company.

To invest in human resources and continuously be alive to their needs.

Technology:

To achieve technological excellence in operations by development of indigenous technologies and efficient absorption and
adoption of imported technologies to suit business and priorities and provide competitive advantage to the company.

**Image:**

To fulfill the expectations of stakeholders like Government as owner, employees, customers and the country at large have from BHEL.

**BUSINESS AREAS:**

BHEL covers a wide area of business. These areas are mentioned below.

**Power:**

Provide a gamut of equipment for Thermal, Hydro and Nuclear Power Plants. Range includes products and systems for power generation, transmission and utilization.

**Transportation:**

BHEL offers a variety of transportation equipments to meet the growing needs of the country. 65% of Indian Railways are equipped with BHEL manufactured traction equipment. Underground metro also runs on drives and control supplied by BHEL, BHEL has taken up the manufacturing of locomotives to provide a pollution free transportation. BHEL also offers a battery operated Passenger Van provided to Delhi Government.

**Oil and Gas:**
Equipment for oil and gas exploration and transportation is manufactured by BHEL. The range covers super deep drill rigs, mobile and desert rigs with matching draw works and hoisting equipment.

Non-Conventional Energy:

BHEL is playing a vital role in helping to harness the vast renewable source of solar, wind and biogas energy. BHEL has supplied several water heating systems, wind mills, biogas generators and photo voltaic system,

Tele-communication:

BHEL has entered the field of telecom with electronics PABX system based on indigenous technology from C-DOT.

Manufacturing Technology:

BHEL has 14 manufacturing plants, which are spread over different parts of the country having unique manufacturing and facilities, CNC machines, turbine blade shape system, system bener. 8000 ton hydraulic press heavy duty lathe milling machines and many more are available.

Research and Development:

A highly talented and experienced team of scientists form the backbone of BHEL Corporate R&D. A few accomplishments are:

- Direct ignition of pulverized coal (DIPC)
Magnetic Hydro Dynamics.

Aerostatic Bearing

After Sales Service:

BHEL has 8 organised service centers, which are geographically distributed throughout the country. It also undertakes power plant renovation and rehabilitation jobs.

Exports:

The organization commitment to quality has earned a recognition from over 45 countries; export order range from equipments to turn key projects to consultancy services.

Sections of BHEL Jhansi:

BHEL has many departments, while production and Administrative department are separate.

BHEL Jhansi has two main production categories

1. Transformer Section

2. Loco Section

1. Transformer Section:

In the transformer plant there are ten Bays.

Bay0 - These are fabrication shops established in 1978 and mainly, 1&2 Deals with fabrication work of transformers & locomotives.
Bay 3- It is splitted into two parts, half is the machine shop and the second half is for the Bus-Ducts.

Bus-ducts are used to transfer Electricity from the generator to the transformers.

Bay 4- Here the winding work of the power transformers & Dry type transformers is carried out.

Bay 5- Basically it is core and punch section but in a part of it cast resin coil encapsulation plant is situated. The coils of dry type transformers and out steed cut and finally prepared.

Bay 6- It is also engaged in two process one half is the traction winding section while the other half is for the traction transformer assembly.

Bay 7- In this bay, the dry type transformers are manufactured and various types of Insulations are prepared to be used in the transformers.

Bay 8- This bay was established in the year 1874. It is one of the earliest bays to set-up. It is involved in the manufacturing of instruments transformers like 132 KV and 220 KV Voltage/ Current transformers. ESP transformers are also manufactured here.

Bay 9- This is one of the largest bay in the unit engaged in the assembly of power and rectifier transformers. The time taken for assembly ranges from 412 weeks.
2. Loco Section

The other section, Locomotives department is one of the most important department in factory. It deals with the manufacture and production of following types of Locomotives.

1. AC Locomotives.
2. AC/DC Locomotives
3. Thyristor Type Locomotives
4. Diesel Electric Locomotives shunting locomotives (DESL)
5. Diesel Shunting Engine of various capacities and haulage. The unique modern machines available in Jhansi unit are follow:
   - CNC Cropping line machine
   - Vapour Phase Drying system.
   - Computer ICM 6040 and BOSO^IRISH 40/20 with graphic facilities.
   - Bovie frame machining center.
   - CNC Axle Turning lathe.
   - Fascine and centering machine.
   - Wheel forcing press.
CNC pipe bending machine.

Human Resource Management in BHEL:

1. Induction of Manpower:

BHEL Jhansi at present, has 1974 manpower strength at various levels. In BHEL the levels are broadly categorised in 3 groups:

1. Executive Cadre
2. Supervisory Cadre 85
3. Workman Cadre,

The induction of workmen and supervisors is done at unit level whereas in executive cadre it is done at corporate level. Various broad designations covered in the above 3 categories are indicated below:

A. Executive Cadre:

(i) Engineer/Officer E1
(ii) Sr. Engineer/ Sr. Officer E2
(iii) Dy. Manager E3
(iv) Manager E4
(v) Sr. Manager E5
(vi) Dy. G.M. E6
(vii) Sr. DGM E7
(viii) AGM E8
(ix) GM E8
(x) ED E9

B. Supervisory Cadre:

(i) Charge Man S1
(ii) Asstt. Foreman S2
(iii) Foreman S3
(iv) General Foreman S4
(v) Executive F/Man S5
(vi) Sr. Exc.F/Man S6
(vii) Gen Exe.F/Man S7

C. Workmen Cadre:

(i) USW A01
(ii) SSW 102
(iii) Artisan Gr. IV A03
However, the induction level in each cadre are defined and is done only at the minimum level of the cadre. For example, induction in workman cadre is done at two levels i.e. at 101 for USW/SSW and at A03 for Artisans. Induction of Supervisory level is one at Charge man (SI) scale and induction of Executive level is done at Engineer level (EI). In case of workmen and Supervisors cadres the names are obtained from local Employment Exchanges or through the provision of the Apprentices Act. The written tests and personal interviews are conducted and the selected candidates are issued the offer of appointment in the regular scale.

2. Training and Development:

BHEL, Jhansi emphasises on development of its employees on regular basis. The Human Resource Development department of
the unit annually identifies the training needs of all the employees through line managers. The calendar of the implant programme is formulated based on the above needs and programmes on various topics are conducted in the financial year so as to meet the training requirement. If specific skill is required to be imparted to certain groups of people, who cannot be organised within the unit, these employees are nominated to outside institutes within the country or abroad.

In Addition to above, the training is imparted to Apprentices (Trade Apprentices and Technician Apprentices), Company Trainees (Supervisory Trainees and Engineering Trainees) and vocational trainees from various institutes in the field such as Engineering, MBA graduates, MCA graduates etc.

**Performance Evaluation:**

BHEL Jhansi has well established performance Evaluation System for various categories in terms of Annual Confidential Report (ACR). The various parameters of performance evaluation system are laid down in the ACR Forms with the marking systems. The total 100 Marks are allotted for performance evaluation. Based on the marks, the grading of the individual performance is done in the following broad categories:

- Outstanding
- Very Good
- Good
- Fair
- Poor
TRIVENI STRUCTURALS LIMITED (TSL)

INTRODUCTION

The Company was established in 1965 as a joint venture of the Govt. of India and Voest-Alpine, a leading industrial group in Austria. Triveni Structural Ltd. (TSL), now a Subsidiary of BHARAT YANTRA NIGAM LTD. (BYNL). This public sector holding company has been involved in the design engineering fabrication installation and commissioning of sophisticated structures and fabricated equipment for a diverse range of application. By virtue of technical collaboration with Voest-Alpine, today, T.S.L. has emerged as a leading company in the engineering industry.

The works are located at a site extending over 125 hectares of land in the industrial complex at NAHN in Allahabad DISTT. OF UTTAR PARADESH, and are served by a special railways siding thus conveniently connected by rail and road to all major towns and the hinterland of the country.

T.S.L. is manned by a team of highly skilled and specialized technical personnel and are equipped with sophisticated facilities for fully integrated turn key executions to cater to the needs of core and strategic sector industries. The product range of the company includes hydraulic structures like gates, hoists & pen stocks, pipelines, storage tanks, self supporting towers, guyed mottes for T.V., Microwave, VLF, Radar and other communication systems, EHV power transmission lines upto 400 K.V. on turn-key
basis sophisticated technology steel structures, cranes, passenger and material rope ways, nuclear equipment, oilrig structures & tailor made, fabricated products for many other applications.

TSL quality products conforming to any international code and specification including turn-key projects from concept to commissioning has won wide recognition in India as well as in foreign countries like Zambia, Tanzania, Malaysia, Thailand, Sri Lanka, Iraq Kampuchea, Maritimes Nepal etc.

Range of Products

1. Building Structures.
2. Tower and master's
4. Pipes and Pen stocks.
5. Pressure Vessels and tanks.
7. Coal Projects.
8. Mechanical Equipment.
9. Rope ways.
10. Turn-key Projects
11. Spare parts and accessories.
12. Miscellaneous Equipments.

Major Competitors and Client of TSL

The major competitors of TSL in India regarding various product lines are in a broad sense but they don't get as much
feedback reputation as the TSL has gained and gaining. Here is list of the major parties, who are the competitors of TSL as follows:

**In Building Structures:**


NTPC, ONGC, TISCO, ALL Electricity board, Bharat Petroleum Corporation India Ltd. Steel Authority of India Ltd. Nuclear Power Corporation India Ltd.

**In Conventional Bridge's:**

B & R BBJ BBUNL Group of companies, U.P. Bridge Corporation, UPRNN.

**Clients:**


**Famous Jobs has been done by TSL:**

1. Gate of Ranjeet Sagar Dam
2. ISRO's MOBILE SERVICE Tower of Sriharikota.
3. Skylork of Defence for navy (First in India & Third in world)
5. 300 m.t. Bombay T.V. Tower (1st in Asia)
6. The Project work of 300m. FAJILCA PANJAB.
7. Barmar T.B. Tower in RAJASTHAN.
Company Group of BYNL

1. TSL NAINI, Allahabad
2. Bharat Pump & Compressors Ltd. (BPCL) NAINI, Allahabad.
3. Richardson & Cruddas (R&C) Madras.
4. BHARAT HEAVEY plate & vessels (VISHAKHAPATNAM SOUTH)
5. TUNG BHADRA Steel Plant (TSPL)
6. Bridge & Roof (B&R), Calcutta.

REPORT OF PERSONNEL DEPARTMENT

Rules and Regulation:

1. Scope, Application & Interpretation:

   These standing orders shall come into force in accordance with the provisions of the Industrial Employment (Standing orders) Act 1946 and shall apply to all employees on the roll of 'Triveni Structural limited' wherever they might be stationed and who are workmen as defined under Industrial Employment (Standing Order's) 1946.

2. Exhibition of Standing Order's

   (i) A copy of these standing orders in English and Hindi language shall be posted on the main notice board, which shall be installed near the main gate of the factory.
(ii) Any amendments or modifications made in these standing orders and any notice, orders or instructions issued under this will be posted on the main notice board.

3. **Classification of employees**

For the purpose of these standing orders employees be classified in to:

(i) Permanent

(ii) Probationer

(iii) Temporary

(iv) Casual

(v) Apprentice

(vi) Substitutor

4. **Recruitment and Employment**:

All recruitment to the service of the company will be made by the Managing Director or by General Manager or the Personnel Manager or such other officer/officers as may from time to time be authorized by the company in that behalf.

All appointments against permanent vacancies whether on initial employment or on promotion may be on probation for a period of 3 month's. Probation may be extended by a further period of three months by an order in writing.
(A) **A Badli Workman**

Name may be removed without notice or pay in lieu of notice from the list of registered Badlies due for any of the following acts.

(i) Any of the act or omissions listed as misconduct in the standing orders.

(ii) Failure to reach the standard of efficiency and conduct required by the job he performs.

(iii) Habitual non-attendance or absence when due for employment.

(B) Service of Badli workmen appointed in place of a permanent workman may be terminated without notice provided the permanent workman is whose places he was engaged has turned up of work.

(C) If a Badli worker is absent when his turn comes for employment whether for short or long period, the absence will be noted in the register.

(D) If a Badli worker is selected for a permanent vacancy and is absent with the permission of the management the vacancy will be kept as practicable till he returns.

**Transfer**

1. The management shall have right to transfer any employee from one shift to another from one section to another, from one department to another. On transfer the employee shall
be on entitled to the same scale of pay and the same seniority right as before. In the event of transfer from one establishment of the company to another except in emergent circumstances. The employee shall be given 7 days notice.

2. In the event of such a transfer the employee basic pay and scale of pay will not be altered to his prejudice, but in respect of all other matters he would be governed by such terms and conditions of employment (including allowance) condition of standing order and other rules and regulation as would be applicable to similar categories of workman if the shift/section/departments/job/place of which he is transferred and no 'notice of change' will be required to be given.

Trade Union

In the Triveni Structural Limited there is only Trade Union and also affiliated to the All India Congress Committee and this is made by every two years. There is also an existence of executive's union which is known as executive union.

2. Leave Travel Concession

Management has decided to introduction a scheme for encashment of L.T.C. to the employee of the company in respect
of journey to any where in India in a block of 4 Years subject to
the conditions as mentioned below :
1. The scheme will apply to such employees of the company
who are entitled to claim L.T.C. under the existing rules of the
company.

Under the scheme the eligible employee of the company
may encash L.T.C. in a block of 4 years only once and the
encashment will be limited to 75% of the rail fare of entitled class
both ways up to a distance of 1500 km. Each ways, it may be
noted that for the purpose of L.T.C. the entitled class by rail travel
is limited up to first class irrespective of the class of entitlement
while on official tour.

Under the scheme the family will mean employee, spouse
and children subject to a maximum of 4 full tickets. It may be
noted that under the scheme for encashment of L.T.C. parents
are not included in the definition of family.

The scheme for encashment of L.T.C. will apply only in
respect of journey to anywhere in India and will not cover
journeys to hometown.

It is clarified that the concession of L.T.C. to visit any where
in India and/or home town will remain intact under the existing
rules of L.T.C. applicable in the company and scheme of
encashment of L.T.C. which is as under :-
(a) Employees may either avail L.T.C. to visit any where in India one in block of 5 years for self dependent family member i.e. employees himself, spouse, dependent children and dependent parents.

(b) Employee may opt for encashment of L.T.C. once in a block of 4 years to visit any where in India subject to conditions and limitations as above.

**Triveni Structural Limited Gratuity Scheme :-**

1. **Short Title & Commencement :-**
   
   This scheme shall be known as "Triveni Structural Ltd. Gratuity Scheme" -1989 and shall come into force July 1st, 1989.

**Quality Policy**

To achieve and sustain customer satisfaction and confidence at all stages from design to services of the products by meeting their requirements through continuous technology up-gradation and involvement of all employees and vendors.
2. Voluntary Retirement Scheme 1990

Eligibility

The following will be eligible for the scheme:

2.1 Have completed 40 years of age and
2.2 Have completed 10 years continuous service as on the date of submission of VR application:
2.3 Employees against whom disciplinary or Vigilance case is pending shall not ordinarily be considered for voluntary retirement. However, if the competent Authority is satisfied that it will be in the overall interest of the organization, it can allow such employees to seek voluntary retirement.
2.4 The conditions and 2.1 and 2.2 above shall be applied on the date of actual voluntary retirement, for example, a person who is completing 40 years of age on the date of submission of VR can apply now, but he will be allowed Voluntary Retirement only on 30.03.1992 when he completes 40 years. The same will apply to completion of 10 years service.
2.5 Notwithstanding the eligibility as above, the competent authority at its sole discretion may accept or reject the request for Voluntary Retirement under this scheme.
1. **Competent Authority**

The Competent Authority for accepting the offer of Voluntary Retirement will be the Managing Director in case up to Chief Manager and the Chairman for cases above Chief Manager.

**Benefits:**

Employees allowed to retire voluntarily shall be entitled to the following benefits:

**Notice Pay:**

One/three months notice pay (Basic pay plus DA/FDA) as admissible to the retiring employees according to the terms and conditions of appointments in the company i.e. one month's notice pay in case of Non Executive employees and three month's notice pay in case Executive employees, will also be paid in addition to Ex- Gratia.

**Ex-Gratia**

Ex-Gratia Payment equivalent to 1½ months pay i.e. Basic pay plus DA/FDA for every year of completed service in the company.

or

The monthly emoluments (Basic pay plus DA/FDA) at the time of retirement multiplied by the balance months of service left before normal data or retirement, etc.
(Whichever of the above is less)

For example, if an employee has put in 20 Years of Service and has left 3 years of service left (36 months) he will get Ex-Gratia.

**Encashment of Unveiled privilege/Earned leave**

An amount equivalent of cash value of privilege leave/Earned leave due as per rules up to date of Voluntary Retirement.

**Provident Fund**

Payment of Full share of employer's contribution to the provident fund along with employees share including interest on total accumulation.

**Gratuity**

Gratuity as admissible under rules up to date of Voluntary Retirement.

**Travel Cost Re-imbursement**

The employee and his family would be entitled to travel by entitled class to their declared home town.
Application

Eligible employees desiring to seek Voluntary Retirement may submit their application in the prescribed Performa to the competent authority through proper channel.

General

Ordinarily, employees desiring to seek Voluntary Retirement shall be effective from the last date of the month in which the decision on the application for Voluntary Retirement is communicated. However, when the date of decision on close to the end of the month, the effective date for Voluntary Retirement will be last date of the next month. This condition can be waived by the Competent Authority at its discretion.

Ordinarily, the resultant vacancies arising out of Voluntary Retirement shall not be filled up. (Only in exceptional cases with the approval of their competent Authority).

VARIOUS WELEFARE SCHEME:

Welfare activities are provided by all Organisations to maintain the employees living standard as well as overall development of his keen interest towards his goal. There are two types of welfare activities as follows:

A- Welfare Statutory- These activities are provided as per law.

B- Welfare Optional- These are voluntary activities provided by the company to the employees concerned.
Statutory Activities:

A. First Aid - There are 5 compounders under one in charge. There is also facilities of an ambulance.

B. Canteen - Canteen is also provided by the organisation with accommodation of Tea, Lunch and Breakfast.

C. 1 Kg Milk powder and 2 Kg "Gur" for those employees can be involved in the hazardous process of work like furnace and galvanizing process.

D. E.S.I. facility is available to those employees whose earnings is less than Rs. 3000/-. 

E. Bonus - 8.33% to 20% of salary.

F. Provident funds - 10% of Salary

DISCIPLINE

Disciplinary Action can be taken against any employee violating the rules and regulations of the T.S.L. Standing Order's. Disciplinary authority can be appointed by M.D. or Personnel Dept. incharge of the disciplinary actions.

A charge sheet is issued against the person mentioning their charges and asked for clarification to Disciplinary Authority. An inquiry is set to investigate the charges. If charges are found correct then employee will be punished as to his crime.
Penalties’

There are 2 types of penalties
Minor, Major
Censure, Suspension should not more Days.
Fine withholding of increment, removal dismissal or promotion

Promotion

In the Organization, promotion is considered on the following basis:
A. Merit
B. Efficiency
C. Past performance
D. Qualities

Eligibility for promotion

Employee shall be eligible for promotion provided :-
1. For Executive- He has completed 3 year of his service
2. For Non Executive- He has completed 2 year of his service.
The vacancies of T.S.L. shall be filled by making grade promotion.
• The merit efficiency and performance shall form the basis for grant of promotion in case of technical and non-technical cadres.

• The seniority subject to suitability govern promotion to non-executive posts of technical and non-technical cadres.

Transfer:

There is sound transfer policy of T.S.L. Transfer have been made between departments. Generally, employees are responsible for initiating and approving transfer. There are 3 types of transfers being made.

1. Production transfer is made from one dept. to another department.

2. Versatility Transfer- Versatility transfer are those in which the employees are transferred from one job to another job, to make versatility.

3. Shift Transfer: In this type of transfer employees are transferred from one shift to another.

Recruitment and Selection Procedure in T.S.L.

All the recruitment of the service of the services of the T.S.L. will be made by M.D. or by C.G.M. or the P.M. or such other officers as may from time authorized by the Company in that behalf.

All present and the above posts of executive levels is recruited by BYNL, a holding company of T.S.L. and all the posts
below executive level is filled by T.S.L.. 25% of existing posts will be filled by promotion and 75% outside recruitment.

As the recruitment of T.S.L. are processed through P&A Dept. the approval of M.D.'s required before filling of any post the process is as laid down for public sector in India.

Notification by dept. Consult to P&A.

Notification of P&A Dept. of local and central employment Exchange.

Advertisement are also given on all India level for higher post.

Interviewing after screening the applicant of panel consisting of representatives of the Dept. Concerned with P&A.

**Man Power Planning:**

The manpower strength of the T.S.L. as on 31 March 1987 was 2087. It was reduced to 1265 at March 1999. The manpower strength of the T.S.L. can be classified as follows:

- Executive 2003
- Non-executive 1262

**INDUSTRIAL RELATIONS:**

The Industrial Relation defined as the relationship between man, machine and materials for optimum utilization. The are three Ms’ –Man, Machine and Material.
The function of industrial relations of T.S.L. can be given below:

- To have balanced and good relation with trade union.
- To create a work culture in the T.S.L.
- To have a proper information about other Departments.
- The T.S.L should adopt new technology and aspects. The P.M. should be very thorough about law and specially in Industrial Disputes.

**PERFORMANCE APPRAISAL:**

The T.S.L. has very good performance appraisal system. The performance of the executive and non executive employee is rated usually, but the technical employee's performance are rated quarterly. After taking quarterly rated performance average performance is used.

**BHARAT PUMPS AND COMPRESSOR LTD. (BPCL)**

**Introduction:**

The Bharat Pumps & Compressor Ltd. is subsidiary of BYNL, a holding company found by the GOI. Its' registered office is at Allahabad. It co-ordinate and integrates, the working of six engineering units namely:

1. Bharat Heavy Plates & Vessels Ltd., Visakhapatnam
2. BPCL, Naini
3. Bridge and Roof Corp. (India) Ltd., Calcutta
4. Richardson & Cuddas Ltd., Bombay
THE COMPANY:

BPCL was set up in 1970 for manufacturing of rotating equipment for fluid handling in the country. To meet the ever growing demand and to fill the gap, BPCL successfully established within a span of seventeen years sophisticated capacity to manufacture indigenously high technology heavy duty Centrifugal and Reciprocating Pumps, Reciprocating Compressors and high pressure Seamless and Welded Gas Cylinders.

With the Objective of design, research and development and manufacture and supply of capital goods in the fluid-handling field, BPCL had entered into technical collaboration with world famous manufacture of pumps, compressors and gas cylinders and high technology oil equipments.

LOCATION:

BHARAT PUMPS & COMPRESSORS LTD.

(A Subsidiary of Bharat Yantra Nigam Ltd.)

Naini, Allahabad-211010 (U.P.)
DIVERSIFICATION EFFORTS:

The company has embarked upon an ambitious plan to add its product range, cementing and factoring unit suckers rod pumps, mini and micro hydro turbines, and boiler feed pumps and nuclear pumps. The diversification efforts would be directed towards self-sufficiency in the capital goods requirement in the oil and petrochemical industries.

QUALITY ASSURANCE:

Backed up by metallurgical and other laboratories the quality assurance programs confirm to international specifications and requirements. The products pumps and compressors, meet the specification of international codes such as API and are fully guaranteed for performance on the basis of proven and most up to date designs. Gas cylinders are manufactured as per ISI and usage approved from the chief controller by explosives Nagpur.

DESIGN AND ENGINEERING:

A strong design department has been setup in BPCL with highly qualified and competent engineers who have been trained in application engineering, thermodynamic calculations, hydraulic calculation and system design in the areas of piping and
instrumentation etc. A computer aided Design Center is being setup.

BPCL has achieved a number of break-through in R&D activity. The progresses achieved in various R&D programs are:

**Solar Pump:**
BPCL has already developed two stage solar pumps and complete system with solar panel, which has been installed in the company's premises and is capable of pumping 2.4 m$^3$/hr. of water at a height of 15 feet.

**Benefield Solution Pump:**
This pump required for fertilizer plant is under final stage of development.

**Slurry pump:**
Engineering work for development of L.C. pump for slurry application has been completed.

**Ash-Slurry pump:**
Engineering work is under progress on ash slurry pump requiring for thermal power plant.

**Regional Offices:**
- Delhi
- Mumbai
- Chennai
- Dibrugarh
- Kolkata

**Name of Products:**
There are several produced by Bharat Pumps & Compressors Ltd.
[A] Pumps & Compressors

- Centrifugal pumps
- Reciprocating piston & plunger pumps
- Reciprocating compressors carbonate and ammonia pumps.
- Sucker Red pumping unit.
- Pumps for Nuclear power station application.
- Cementing unites.

[B] Gas Cylinders

- High-pressure seamless industrial cylinders.
- Welded cylinders.
- Cylinders of Compressed Natural Gas (CNG).

VARIOUS WELFARE ACTIVITIES IN B.P.C.L.

The various activities relating to "welfare" are strictly being provided by the B.P.C.L. to maintain the employee’s living standard as well as overall development of his keen interest towards the goal. There are 2 types of welfare activities as follows:

A. Statutory welfare: These are voluntary activities provided as per "Factories Act, 1948".

B. Other Welfare Activities: These are voluntary activities provided by the company to the employees concerned.
A. **Statutory Welfare:**

- Under Sec. 42 of the Factories Act, 1948, the B.P.C.L. provides and maintains adequate and suitable washing facilities for its workers to be kept in a state of cleanliness.
- Sec. 43. Under this section the company provides a locker to each worker for keeping drying and other cloth, which are not used during working hours.
- Sec. 44. Under this section the company provides benches and iron stool to workers in the manufacturing or production floor where they can take rest.
- Sec. 45. Under this section, the company has a dispensary with two beds, a Doctor and trained compounder, and readily available during factory hours. An ambulance is always ready for any mishap.
- Sec. 46. Under this section, a canteen has been provided in the B.P.C.L. This canteen is running on the contract basis.

**Educational Facility Compensation:**

This facility is provided to workers only when their children are going to school. They are given Rs. 70/- per month for two school going children (Per head). Officers are not entitled to this facility.
Medical Facilities:

Workers (having income up to Rs. 6500/- per month) are covered under ESI. They get medical benefit from ESI.

Transport facility is provided to workers at subsidized charges. Rs. 4/- per month and Rs. 80/- per month are charged from Supervisors and Officers at both times morning and evening. Those employees, who are not availing transport facility, they are getting some conveyance allowance for scooter.

Canteen Facilities:

The BPCL is having its own departmental canteen managed by a contractor. Tea, Coffee, Snacks, Lunch and Dinner are provided at nominal subsidized rate.

Housing Facilities:

The BPCL do not have any housing/residential colony for its employees. In lieu of that it gives H.R.A. @15% (Basic + DA ) and if it is arranged leased accommodation 15% HRA is not provided, but 10% of HRA (Basic + DA) is deducted from the salary of concerned employees every month and company is paying full rent to the owner.

SAFETY MEASURES IN B.P.C.L.

The safety measure, on the part of the management's efforts for workers. is nicely followed in B.P.C.L. The various safety measures adopted in B.P.C.L. are in compliance with the
"Factories Act 1948". Though the workers are provide the safety equipment.

The workers provisions adopted in the B.P.C.L. to avoid any risk of accidents are as follows:

- Fencing of machinery has been done in accordance to Section-21 of Factories Act, 1948.
- Striking gear and devices for cutting off power under Section 24 of Factories Act, has been provided and maintained in B.P.C.L.
- Lifting machines, chains, ropes & tackles are examined at regulars intervals by the safety department.
- Revolving machines have been affirmed as per Section 30 of the Factories Act.
- For protection of eyes and face they provide safety goggles and face shield to B.P.C.L. employees, where welding process is going on as per section 35 of the Factories Act.
- For the protection of hands, provide safety gloves (rubber, canvas, leather, and asbestos gloves.)
- Safety shoes are provided for protection of legs.
Precautionary Measures against Fire and other Accidents:

- Fire ambulance has been maintained.
- Fire alarm is provided.
- Water sockets have been provided in the factory area so that pipe could be joint to them where fire has taken place.
- Different type of posters and banners have been stuck in working area, which through cartoons advices the workers to work safely.
- Safety shoes with iron cover on head to B.P.C.L. to avoid any injury in case of something-heavy falls on their legs.

PROMOTION:

- In the B.P.C.L. Organization promotions are considered on the following basis.
  - Merit
  - Efficiency
  - Past Performance
  - Attendance and Their qualities

The employee who has completed 8 year of his regular service under the above criteria, the Personnel Dept. recommends their names to Board of Director for the promotion.
TRANSFER:

The management has the right to transfer any employee from one department to another. One transfer, the employees are entitled to the same scale of pay and the same seniority right as before.

1. Plant/Division Transfers

Production transfer is made from one department to another department.

2. Versatility Transfer

Versatility transfer is that in which the employees are transferred from one job to another job, to make versatility.

3. Shift Transfer

In this type of transfer, employees are transferred from one shift to another.

RETIREMENT

Retirement policy is as per State Government rule at the age of 58.

DISCIPLINE

Discipline is the force that prompts individuals or a group to observe the rules, regulations and objectives.

TRAINING

The objective of training is to enable the trainees to acquire new manipulative skills, technical knowledge and problem solving.
ability. Properly trained employees are expected to apply their knowledge and skill on the job and to contribute to the achievements of organizational goals.

Following are the main objectives of Training:

- To develop the proper habits of doing the work among the employees.
- To avoid waste and misuse of machinery, raw material, time and labour.
- To reduce the rate of accidents.
- To improve to qualitative standard of the product.
- To create solidarity among the employees and raise their moral.
- To increase efficiency of workers.
- Employee gets the opportunity for self-development and can increase their confidence.

Training Policies

Training department can be handed as a function of Human Resource Development or as a separate function. Every company or organization should have well-established training policy. It represents its employees and comprises rules and procedures governing the standard scope of training.

Type of training

- Injection training
- Promotional training
• Refresher training
• Train Techniques

On-The-Job.
• Coaching
• Apprenticeship
• Training by supervision
• Job instruction train
• Vestibule Training
• Training by Experienced workmen
• Demonstration and examples.

Off-The-Job
• Lecture
• Conference
• Group discussion
• Case studies
• Role playing
• Programmed instruction
• T-group training

INDIAN TELEPHONE INDUSTRIES (ITI), NAINI

The Naini unit of ITI is one of the 5 units having its corporate office at Bangalore. This unit started functioning in 1971 with objectives to provide telecommunication equipments required by
the country. It started with workforce of 455 during 1971-72 which reached upto 4408 during 1998-99.

INTRODUCTION:

The Naini unit of Indian Telephone Industries is one of its six units and is located about 16 kms from the holy city of Allahabad on Allahabad-Mirzapur Highway. Since its inception in 1971, the unit has been marching ahead with a steady growth and has achieved the twin objectives of producing the vital telecommunication equipment required by the country and the socio-economic development of the region.

ITI Naini is the lead unit which manufactures the complete range of multiplex equipments for rural, inter-city and intra-city communication needs of the national telecommunication network. It has put great thrust on rural telecommunication equipment by development and producing indigenous products like 3-Channel SAX, Single channel VHF and expenoids indigenisation of Multi Access Rural Radio System (MARR) which was taken up under collaboration with M/s Kokusai of Japan. Simultaneously, the unit has entered the area of optical fibre communication equipment to keep pace with the advance in technology and meet the future needs of the country. The unit also manufactures subscriber telephone instruments for use by DOT.
As the production of modern telecommunication equipment is highly technology intensive, the unit is backed by most modern Research & Development Division. The unit has not only raised the production level but has also improved its profitability by improving productivity, efficiency and by reducing wastages. While maintaining quality level, the cost of equipment has been reduced due to ceaseless efforts to improve design and manufacturing process.

It manufactures complete range of multiple equipments like Three Channel Sax, Multi Access Rural Radio System, Fibre Optic Equipments and Subscriber Telephone Instruments used by DOT.

Some of the collaborators of ITI are as under:

ALCATEL France
DES COMMUNICATION Denmark
NEC Japan
BOSCHTELECOM Germany
ATENDT/Lucent Technologies U.S.A.

The company has obtained ISO 9000 Certificate for providing quality products.

Plants

BANGALORE-Corporate Office
RAE BARELI
MANKAPUR
NAINI : Fibecom Unit at Gurgaon attached to Naini Unit (It has collaboration with France)

PALAKKAD

SRINAGAR, J&K

PROGRAMMES & FACILITIES:

1. Community Development Programme:

This unit has provided employment to the residents of nearly villages to raise their social status preferably to those whose land had been acquired for the construction of the factory. To meet out the social responsibility adult educational programmes and supply of pure drinking water has been ensured by the organization for the nearby villagers. Adult educational programmes were organized during the year 1989-90 to inculcate the sense of writing and reading amongst the villagers. Free immunization camps were also organized in their hospital and their doctors have visited nearby villages to immunize the children against viral diseases.

2. Family planning programmes

3. Worker's Participation In Management

The unit has given full participation to the worker's representatives in the following:
(a) Sports council  
(b) Welfare Committees  
(c) Provident Fund Committee  
(d) Canteen Management Committee  
(e) Committee for the award of the Best workman for outstanding performance each year.  
(f) SC/ST Cell constituted for the welfare of SC/SC  
(g) Death relief fund committee  
(h) House allotment committee for workers.  

4. Emphasis On the Use of Hindi  

5. Sports Activities:  

6. Special Drive For recruitment of SC/ST Community  

7. Death Relief Fund  

8. Housing Facility  

9. Transport Facility  

10. Central School  

11. Pollution Control And Safety Activities  

HUMAN RESOURCE DEVELOPMENT  

ITI considers human resources as its valuable asset. It believes that success for organization may only be achieved through competent and motivated human resources. That is why, ITI has identified HRD as one of its priority area and 0.2% of the
total turnover is allocated for HRD on organization development activities.

Every year training needs of company are assessed attitudinal, surveys are conducted once in two years to identify and determine frustrating aspirations of individuals and groups and to determine deficiencies in skills and knowledge of human resources for adoption of new technologies short term and long-term training plans are formulated. Feedback system is used to evaluate and improve the performance of trainees.

The organization systems, procedures and practices are continuously being changed with respect to changes in technology. The brain-storming workshops of senior officers are continuously organized to find alternatives to match the systems practices, rules and regulations with changing behavioral pattern of human resources. There are different development programmes like rotational transfers and temporary posting at strategic post. Senior and top managers are deputed to attend national and international conferences. Every year 30% of its total executive strength, 15% of its supervisors and 5% of workers are developed through different HRD activities on continuing basis.
INDUSTRIAL RELATION SCENARIO:

Prior to 1983 there were multiple unions which often led to industrial problems. Now for the last 7 years there is a single union. The elections for office-bearers are held every year. This has led to peaceful atmosphere and cordial relationships between workers and management.

INDUSTRY ANALYSIS

BHARAT HEAVY ELECTICAL LTD. (BHEL)

A. Career Plan:

(1) Promotion- Seniority basis, Time bound merit.

(2) Training

(a) Manager/Executive- Competence, contact programme.

(b) Workers- On the job, off - the job vestibule apprenticeship.

(3) Motivation- Promotional Programme

(4) Recruitment- Outside- at lower level

(5) Selection- Written test, interview

(6) Grievances- Counseling, management level.

B. Welfare Areas

Educational, Recreational Medical Transport and others.

Welfare Management- HRD/Personnel Dept.

C. Performance Appraisal- Annual Report/ACR

D. Worker's Participation- No participation in decision making.
E. Trade Union- Participation and supportive but some time opposite.

(a) Industrial unrest- Strike 3 year back.

F. Association- No management and executive Association.

G. Social Responsibility- Employee social development programme.

H. V.R.S.- Applicable

CONCLUSIONS & SUGESTION:

Workers work with confidence as the factory provides required safety measures, no complain in this regard is noted.

No concreted plan for future but open to adopt any change in industrial relations. Grievances are handled from its beginning. Company is providing all modern welfare amenities to its workers, creating an environment of trust and confidence. The changing economic scenario has invariably affected the organisation and lack of order has given worth to problem of over staffing. And to cope with the problem. The company at corporate level has introduced voluntary retirement scheme, instead of retrenchment. The company pays allowances as per post and seniority.

In all over industry total numbers of trade unions are seven and in general their relations with management are cordial. Last but not the least it would be fare to conclude that BHEL a public sector organisation is an example of better industrial harmony.
<table>
<thead>
<tr>
<th></th>
<th>Promotion:</th>
<th>Seniority Basis, Time Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Training:</td>
<td></td>
</tr>
<tr>
<td>(a)</td>
<td>Manager/executive</td>
<td>Conference, Lectures, Contact programme</td>
</tr>
<tr>
<td>(b)</td>
<td>Workers</td>
<td>On the job, Apprenticeship.</td>
</tr>
<tr>
<td>3.</td>
<td>Motivation</td>
<td>Financial, Promotional</td>
</tr>
<tr>
<td>4.</td>
<td>Recruitment</td>
<td>Internal and External</td>
</tr>
<tr>
<td>5.</td>
<td>Selection</td>
<td>Interview, written test</td>
</tr>
<tr>
<td>6.</td>
<td>Grievances</td>
<td>Counseling Committee</td>
</tr>
<tr>
<td>(B)</td>
<td>Welfare areas</td>
<td>Educational, Medical, Transport, Canteen.</td>
</tr>
<tr>
<td></td>
<td>Welfare Management</td>
<td>HRD/ Personnel Dept.</td>
</tr>
<tr>
<td>(C)</td>
<td>Performance Appraisal</td>
<td>Quarterly Report</td>
</tr>
<tr>
<td>(D)</td>
<td>Worker's Participation</td>
<td>Participation is involved</td>
</tr>
<tr>
<td>(E)</td>
<td>Trade Union</td>
<td>Participative, supportive Coordinal</td>
</tr>
<tr>
<td>(a)</td>
<td>Industrial unrest</td>
<td>Strike Before 25 years ago</td>
</tr>
<tr>
<td>(F)</td>
<td>Association</td>
<td>TSL Executive Association</td>
</tr>
<tr>
<td>(G)</td>
<td>Social Responsibility</td>
<td>Employees social development programme</td>
</tr>
<tr>
<td>(H)</td>
<td>V.R.S.</td>
<td>Applicable</td>
</tr>
</tbody>
</table>
CONCLUSION:

T.S.L. believes that industrial harmony exist in better working condition for future planning. T.S.L. wants to develop the society with the help H.R.D. and open to adopt the new change in training of worker's supervisors and managers and wants participation in decision making of trade unions. Workers work with confidence and safety measures, provided as per legal aspects but applicable in production, grievances are handled from its beginning. TSL is taking important steps in developing the society for future and this is a best example of industrial harmony due to the fact that not even a single strike has taken place for last 25 years.

CAUSES & SUGGESTIONS

T.S.L. a leading company in India is a loss concern nowadays.

- Due to tough competition.
- Not adaptation of new technology.
- Lack of finance
- Negligence of company affairs by the top management.
- Lack of discipline
- Trade Union is not interceding in company interest.
- Higher discontentment among the employees both executives and non-executive due to delayed payment.
- Company should improve these conditions about following some steps as.
• Growing demand in power, steel.
• Refineries Oil & Gas petrochemicals etc.
• Opportunity through international contraction agencies.
• Increase in market potential due to major investment by private and freeing investment.
• Broad customer base.
• For the purpose of knowing the market demand, business activities etc., the market survey be done.
• The T.S.L. should improve the business relationship with the customers and consultants.
• The T.S.L. should develop better project monitoring and control system in the function of company.
• The T.S.L. should make periodical training programmes, proper appraisal system, incentive schemes for all categories of employees.
• For the purpose to improve employee's morale and commitment towards T.S.L. by encouraging collective bargaining and worker participation in decision making.
• The company should maintain close relationship with the Govt., Financial Institutional / Banks, Public and Private sector clients.
• The market potential of T.S.L. are increased due to major investment by private and foreign investors.
- Hence, it is hoped that if top management take care of above emanation causes, the future of T.S.L. will be bright.

**BHARAT PUMPS AND COMPRESSURE LTD. (BPCL)**

<table>
<thead>
<tr>
<th>(A) Career Planning:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Promotion:</td>
<td>Seniority Basis, Time Bound, Merit</td>
</tr>
<tr>
<td>2. Training:</td>
<td></td>
</tr>
<tr>
<td>(a) Manager/Executive</td>
<td>Contact programme, conference</td>
</tr>
<tr>
<td>(b) Workers</td>
<td>On the job, Off the job, vestibule Apprenticeship</td>
</tr>
<tr>
<td>3. Motivation</td>
<td>Financial, Promotional Psychological</td>
</tr>
<tr>
<td>4. Recruitment</td>
<td>Internal and external</td>
</tr>
<tr>
<td>5. Selection</td>
<td>Written test, Interview</td>
</tr>
<tr>
<td>6. Grievances</td>
<td>Absolute, Committee, Negotiation</td>
</tr>
</tbody>
</table>

| (B) Welfare areas    | Educational, Recreational, Medical, Transport. |
| Welfare Management   | HRD/Personnel |

| (C) Performance Appraisal | Performance, Confidential Six monthly, Merit ACR, Secret |

| (D) Worker's Participation | No Participation of worker's but only OPERATING level. |

| (E) Trade Union           | One INTUC, supportive, co-ordial |
| (a) Industrial unrest     | Last strike-held in 1987 |
CONCLUSION:

BPCL believes that for better industrial harmony there is a need of improving working condition and improvement in training programme. There should be a healthy understanding between management and workers. All facilities provide as per law but some of them are not available for workers. Trade Union in T.S.L. believes that if workers are invited in decision making it can make better industrial harmony. There is a job satisfaction, which help in maintaining industrial harmony.

SUGGESTIONS:

- BPCL is the public sector unit, which manufactures the pumps and compressors.
- BPCL is economically very weak organisation which only depends on the orders provided by the Central Government so the present need is to restructure the organisation. BPCL needs change in every aspect whether it be in personnel, marketing, production, technological or in other. But due to unavailability of money it is not in position to change any
aspects, since every change in any aspects bears some cost. It should not be as a burden on the central government.

As VRS scheme is unsuccessful in the organisation. If the management thinks itself to implement VRS, it should take advice by the consultancies so that after taking the VRS by its employees the much of the overhead cost can be cut. It is important to cut the manpower. They should be well managed by the consultancies. They management should also counsel the employees so that they can get satisfaction.

INDIAN TELEPHONE INDUSTRIES (I.T.I)

A. Career Planning:
1. Promotion - Seniority Basis, Time Bound
2. Training:
   a. Manager/Executives - Conference, lecture contact programme.
   b. Workers - One the job, Apprenticeship
3. Motivation - Promotional, Others.
4. Recruitment - Internal and External
5. Selection - Written Test, interview
6. Grievances - counseling

B. Welfare Areas

Welfare Areas - Educational, Method, Transport, Recreational.

Welfare Management - HRD Personnel Dept.
C. Performance Appraisal
   A.C.R. (Annual Confidential Report)

D. Worker's Participation
   No participation on management level.

E. Trade Union
   Participative, but sometimes opposite (Mazdoor Sangh)
   (a) Industrial unrest - Strike before 10-12 years ago.

F. Association - Officer Association

G. Social Responsibility
   Employees Social Development Programmes

H. V.R.S.
   Applicable

CONCLUSION:

According to I.T.I. better working conditions are helpful in maintaining good industrial relations. For future planning I.T.I. wants the development of the society. V.R.S. are applicable as per policy. Grievances are handled by the personnel department. I.T.I. always work for the development of the society and work for the employee. I.T.I. is able to maintain the industrial harmony because not a single strike for last 10 or 12 years.
SUGGESTIONS:

- ITI is one of the major players in the telecom industry, which received major jolts due to privatization and stiff competition from private players. The management and workers should know and recognize that it is high time to adopt change for betterment of ITI.

- The management should take certain harsh steps to increase the pace of change even though it is being resisted.

- The management has to reduce the number of employees. It has to strictly implement VRS scheme and make employees understand that there is no place for inefficient employees.
PART-C

COMPARATIVE ANALYSIS

RECRUITMENT

<table>
<thead>
<tr>
<th></th>
<th>INTERNAL</th>
<th>EXTERNAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>T.S.L.</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>BPCL</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>I.T.I.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>3</td>
<td>4</td>
</tr>
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</table>

Percentage of Recruitment system in different Industries.

Internal 75%
External 100%
## SELECTION

<table>
<thead>
<tr>
<th>Selection System</th>
<th>Interview</th>
<th>Written test</th>
<th>Psychological Test</th>
</tr>
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<tbody>
<tr>
<td>BHEL</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>T.S.L.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>BPCL</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>I.T.I.</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4</strong></td>
<td><strong>4</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

**Percentage of selection system in different Industries.**

- **Interview** 100%
- **Written test** 100%
- **Psychological** 25%
## WELFARE AREAS

<table>
<thead>
<tr>
<th>Welfare Areas</th>
<th>Educational</th>
<th>Recreation</th>
<th>Medical</th>
<th>Transport</th>
<th>Others</th>
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</thead>
<tbody>
<tr>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
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<tr>
<td>T.S.L.</td>
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<td></td>
<td>✓</td>
<td>✓</td>
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<tr>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>I.T.I.</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
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<tr>
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<td>4</td>
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<td>4</td>
<td>4</td>
<td>2</td>
</tr>
</tbody>
</table>

**Percentage of welfare facilities in different Industries.**

- Educational: 100%
- Recreational: 75%
- Medical: 100%
- Transport: 100%
- Others: 50%
MOTIVATION

<table>
<thead>
<tr>
<th>Industry</th>
<th>Financial</th>
<th>Promotional</th>
<th>Psychological</th>
<th>Partial</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>T.S.L.</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BPCL</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>I.T.I.</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
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<tr>
<td>TOTAL</td>
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<td>4</td>
<td>1</td>
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</tr>
</tbody>
</table>

Percentage of motivational system in different Industries.

Financial 50%
Promotional 100%
Psychological 25%
Partial 0%
### PROMOTION

<table>
<thead>
<tr>
<th></th>
<th>Seniority basis</th>
<th>Time bound</th>
<th>Merit</th>
<th>Qualification</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
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<td>✓</td>
<td></td>
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<tr>
<td>T.S.L.</td>
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<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BPCL</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>I.T.I.</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

**Percentage of promotional system in different Industries.**

- **Seniority Basis**: 100%
- **Time Bound**: 100%
- **Merit**: 50%
- **Qualification**: 0%

![Bar Chart](image)
**PERFORMANCE APPRAISAL**

<table>
<thead>
<tr>
<th></th>
<th>Acr</th>
<th>Quarterly Report</th>
<th>Secret</th>
<th>Six monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>T.S.L.</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BPCL</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td></td>
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<tr>
<td>I.T.I.</td>
<td></td>
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<td></td>
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<tr>
<td>TOTAL</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

Percentage of performance Appraisal in different Industries.

- ACR 75%
- Quarterly Report 25%
- Secret 50%
- Six Monthly 0%

![Chart showing the percentage of performance appraisal in different industries]
TRADE UNION

<table>
<thead>
<tr>
<th></th>
<th>Participative</th>
<th>Supportive</th>
<th>Cordial</th>
<th>Opposite</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
<td></td>
<td>✓</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>T.S.L.</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BPCL</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>I.T.I.</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Percentage of Trade Union activities in different Industries.

Participative 75%
Supportive 75%
Coordinal 50%
Opposite 50%
### V.R.S.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Applicable</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>BHEL</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>T.S.L.</td>
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<tr>
<td>BPCL</td>
<td>✓</td>
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<td>I.T.I.</td>
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<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4</strong></td>
<td></td>
</tr>
</tbody>
</table>

Percentage of V.R.S. applicability in different Industries.

- Applicable: 100%
- Not applicable: 0%
**COMPENSATION**

**Employees Satisfaction (Payment Method)**

S = Fully satisfied  
P = Partially satisfied  
N = Not satisfied

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Organization</th>
<th>Executive</th>
<th>Supervisors</th>
<th>Other employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
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<td>3.</td>
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<tr>
<td>4.</td>
<td></td>
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<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1 & 2. Recruitment and Selection:

Recruitment is the process of searching for prospecting employees and stimulating them to apply for jobs in the organisation. It is a positive process because it increases the selection ratio by attracting a large number of applications for the advertised job. The process of selection leads to employment persons who possess the ability and qualification to perform the jobs which have fallen vacant in an organisation. It divides the candidates for employment into two categories, namely, those who will be offered employment and those who will not. This process could be called 'Rejection' since more candidates may be turned away than hired. That is why selection is frequently described as a negative process in contrast with the positive nature of recruitment.

In recruitment process 75% industries (T.S.L, B.P.C.L., ITI) have both the options (internal and external) whereas only the BHEL has also 'External' as source of recruitment.

In selection process all industries (100%) - (BHEL, T.S.L., B.P.C.L., ITI) follow the process of selection as – Interview, Written test. Apart from the interview and written test 25% industries (BHEL) extend the process to psychological test also.

Selection has become a critical process these days because it requires a heavy investment of money to get right type of person. Induction and training cost are rising. If the right type of persons are not chosen, it will lead to huge
loss the employer in terms of time, effort, money and can be disturbing feature of industrial peace.

Suggestions:

1- Selection process should be different at different level of different posts.

2- The following steps may be considered to get right type of people.

3. Welfare Areas:

All public industries (BHEL, TSL, BPCL, ITI) provide Medical and Transport facilities to employees. But Educational and Recreational facility is provided by 75% industries (BHEL, BPCL, ITI). Apart from above welfare areas, other areas are covered only by 50% industries (TSL, ITI).

The above date shows that industries are careful of the welfare facilities to their employees. The degree of welfare facilities differ from Industry to Industry depending upon management policy, Factories Act provisions, and financial capability.
Some of the welfare facilities are provided by Government while others are by management. Few of Trade Unions cover welfare activities due to their limited subscription amount. Most of the Trade unions are of the opinion that it is the responsibility of State or Management.

\textit{Suggestions:-}

1. Basic Welfare facilities should be made compulsory.

2. Division and assignment of welfare areas among Government, Management and Trade Union can ensure its applicability and accountability.

3. In the changing scenario it should not be limited to employees only but should be commensurate with social objective of the organisation.

4. \textbf{Motivation}

Motivation is an effective instrument in the hands of management inspiring the work-force. Higher motivation leads job-satisfaction of the workers which can reduce the absenteeism, turnover and labour unrest. This will create better industrial relations in the enterprise.

The employees of industries (BHEL, T.S.L., B.P.C.L., ITI) are more motivated by promotion, while 50\% by finance and 25\% employees by psychological and other features have considered as convincing way of motivation. The approach should be as how it can be made more effective.

\textit{Suggestions:}
1. Motivational Approaches should be HRD oriented.
2. There should be separate approach for individual motivation and Group motivation.
3. It should be based on the principle that "First Organisational interest then Group interest then individual interest.

5. **Promotion**

Promotion is the way to overcome monotony of life. It is a motivational factor. Every industry maintains cadres in their organisation. All surveyed industries (BHEL, TSL, BPCL, and ITI) have adopted seniority and time bound as first and for most criteria for promotion while industries (BHEL, BPCL) have also considered merit in promotion. Neglecting the qualification is discouraging factor to enthusiastic employees because they acquire it with their extra efforts during the service and it supplements to their working efforts in the organisation, consequently making the working process productive.

**Suggestions:**

1. Apart from seniority, time bound and merit, qualification and extra ordinary efforts should be included in promotion criteria.
2. There should be clear cut policy for
   A. Promotion to next higher post
   B. Promotion to next higher scale.
3. The following steps may be followed:
   A. Preparation of promotion plan of job relationship after job analysis.
B. Finding promotion route
C. Collecting a summary of facts of personnel.
D. Employee development for promotion through training, if required.
E. Final selection of employee for promotion.

6. Performance Appraisal:

Annual Confidential Report (A.C.R.), the traditional method of performance appraisal is being carried on by 75% companies (BHEL, BPCL, ITI) follow two report (ACR & secret six monthly). Annual Confidential Report in today’s industrial environment is not very appreciated by employers and Trade Unions. They are of the opinion that their future/career should not be absolutely in the hands of their seniors. They should be given an opportunity to know their weaknesses so that they can improve themselves.

Suggestions:

Performance is related with employees, that’s why first they should be given opportunity to evaluate themselves because self analysis (typical process) has better impact on human behaviour than that of forced one. After it, seniors should take their decisions which may be secret or open. The latest HRD trend also emphasises on employee participation in performance appraisal.

7. Trade Union Scenario:

Still it is a debating issue to decide that whether Trade Unions are like a Parliamentary opposite party-Safe guard or treat to ruling party (formal
organisation-Management). Industries survey analysis shows that 75% Trade Union relations with management are supportive and coordinal while 50% relations are participating and opposite both. The public sector (BHEL, ITI) unions play a contradictory role say-supportive.

   Now the unions have developed the tendency of strengthening their power by getting themselves affiliated with industrial or national level Unions.

   Management of some organisations have taken initiatives to make the relations with unions cordial by recognizing and welcoming their suggestions till decision making.

   In India, Trade Unions are not governed by single National Policy. Political parties also take undue advantages from these unions. Political interference should be limited to external affairs of the trade union (with government only). They should not be allowed to interfere in internal affairs of the Trade Union. Emergence of associations (white Collar) which are somewhat at the trade union pattern, has also become considerable factor to management to maintain cordial relations with them.

   Suggestions:

   1. The 'code of conduct' should strictly be enforced.

   2. The multiplicity of unions should be discouraged by introducing "NATIONAL NORMS".

   3. The legislative provisions of Recognition should be made compulsory.

   4. Unregistered trade unions should be discouraged.
5. A triangular committee consisting of Management, Association and trade union member may be constituted for important issues related to employees.

6. It should be made mandatory that all trade union leaders, office bearers and members should be the wage earners of the same organisation.

7. A well organised scheme of workers education can help in overcoming some of the weaknesses of trade unions.

8. Employee welfare responsibilities should be joint/shared (Government, management and Trade union).

8. V.R.S.

The studies on V.R.S. shows that there is a lot of hue and cry to increase benefits which are being paid. It is obvious that V.R.S. is still in confusion in the minds of the employees. There is no standard rule of this policy. Every organisation has its own dedicated frame work of V.R.S., wherever this scheme has been introduced. Although the organizations announce this scheme as part of welfare activity but the data collected reveals that fact the whether it is for the welfare of employee or employer.

The main hindrances which prevent the scheme attractive in present scenario are:

1. Low level of information about the scheme.

2. Low level of satisfaction with the prevailing position and benefit.
So to make the scheme effective in future it is necessary to provide all informations about the scheme to the employees through open discussion by personnel department of the organisation.

As the name suggests, the scheme is related to willingness of the employees of the organisation. It should not be made mandatory but through proper counselling and attractive compensation package it should be made an effective tool for the willing acceptance of the scheme.

This scheme should be such framed that it can meet a balancing point between employees welfare and organisational aim before introducing the scheme.

Suggestions:

The first and foremost step to make the scheme effective is to formulate a uniform set of guidelines for all organisations irrespective of the fact that whether it is public sector unit from government side. The major guide lines should cover the following:

(i) A national policy in which the terms and conditions to avail V.R.S. should be such framed that is could neither be proved an instrument in the hands of employer nor in hands of employee.

(ii) There should be a certain standard procedure to calculate V.R.S. benefits and a minimum standard rate which is to be paid to all.

(iii) A certain age and certain length of service should be fixed so that is could not be manipulated by employees at the cost of organization.
(iv) A V.R.S. awareness plan along with the scheme should be introduced to provide necessary information and to realise the fruitfulness of the scheme to the employees.

Apart from the government guidelines, the procedural steps and plans to activate the scheme should be left on the account of the organisation itself. The organisation should formulate plans in accordance with the guidelines laid down by the government and the organisations should provide benefits apart from the fixed standard date on the basis of the following considerations:

1. The present financial position of the organisation:

2. Budgeted amount to be spent on V.R.S.

3. Future prospects of realising the loss in V.R.S. payments.

4. Through Human Resource Planning check out the surplus manpower and future needs of the manpower and as per this analysis make the scheme open and attractive to those where surplus manpower exists.

5. Employee future settlement analysis.

6. The applications should be handled promptly and should not take more than 3 months to be redressed.

7. The procedure should be able to retain those who are required by organisation.

8. There should be variety in payment system as per the varying needs of employee. It should be mainly of two types:
(i) A lump sum (one time payment).

(ii) A certain monthly installment with a lump sum at the time of superannuating.

9. Since industries have some social responsibility and obligations, so on the account of social responsibility they should extend some essential benefits like medical and education to those who have availed the V.R.S. up to the age of superannuating as per their ability.

To ensure Industrial democracy, the actual plan and procedure framed in organisation level should be discussed and verified by a body consisting of employee from each category, employer and government authority.

Ultimately the human resource planning should be strengthened to make an organisation's manpower estimate appropriate and framing action plans for the V.R.S. Maruti Udyog Ltd. is the latest examples.

Instead of retrenchment the Maruti Udyog has introduced V.R.S. for its employees avoid employee's resentment. Company has introduced V.R.S. to its' Employees just one month before and got success to reduce manpower by 19% of total strength and it has been supported by its employees. Total 1050 employees have taken pre-mature retirement under V.R.S. Out of total, 24% employees are the members of union. Average amount paid to employees under V.R.S. is 6.5 lakh each and the company has made total payment of Rs. 66.46 crores.
9. **Compensation:**

Compensation provides bread and butter to employees that's why it has always emerged as prominent issue of industrial peace.

Compensation has never uniform definition in industries. Industries interpret and apply it as per their own feasibility. Compensation in public enterprise are somewhat governed and controlled by central state wage policy but private organisations are still far from national or state level policy. Public enterprises like BHEL, ITI, have attractive compensation of their employees at all level.

87.5% employees of ITI, BHEL, TSL at executive level are fully satisfied with existing compensation while at Supervisory level 57.5% are fully satisfied, 42.5% are partially satisfied, other level of employees are 65% satisfied and 35% partly satisfied. It shows that majority of employees of the above industries, in average, are satisfied with the existing compensation pattern.

No doubt economic recession has invariably affected the market demand and consequently it has cut down the production. It means creating the problem of overstaffing. And how to smooth the problem - the companies have two options- (1) either to retrench/VRS or (2) cut down the existing salary (which is hard nut to crack). VRS is gaining employees support gradually, e.g. Maruti Udyog Ltd. has cut down 19% of its employees strength through VRS.
In India, compensation is divided in three categories 1- Fixed Salary, 2- Variable like D.A., 3- Supplementary compensation. Third one is not open to all. Disparity exists not only at hierarchical level but also industry to industry (public and private both). It is rather difficult to say that whether public companies employees are better compensated or private one, both sectors have mixed (better & bad) examples. To certain extent it can be said that some Indian companies (Indigenous and Multinational companies), provide better pay opportunities than public sector companies. The concept of Minimum wage, Living wage and Fair wage are remarkable Indian wage policy feature but concept of Bonus (minimum 8.33%) applicable to all sector is not very convincing because it becomes financial burden to industries which are in loss.

The liberalisation policy to global market approach has presented threat before Indian industries as how to cope with the situation? The answer may be that the efforts should be to gain economies of scale with quality and productivity and it can be achieved by skilled and experienced employees and also by expansion of market (from national to international) for existence, survival of the fittest is the unwritten but radical rule of this game, if you have to survive, you would have to cope with the situation.

Suggestions:

1. A national compensation policy should be adopted to avoid state to state and industry to industry disparity.
2. The minimum wage should be compulsory to both the sectors Public and Private.

3. Compensation should be in two parts-
   A. Compulsory compensation  B. Productive compensation.
   Again, productive compensation should be commensurate with productivity and ability to pay.

4. The Wage Board/Committee should comprise of Government, Management and Trade Union members.

5. Incentive scheme should be directly related to individual/Group performance.

6. Compensation policy should be open and acceptable by the employees.

7. It should be stable (at least for 5 years). Here, stability does not mean rigidity. It should be flexible only to incorporate desirable changes.

8. It should motivate people at work to contribute their best efforts towards the companies objectives.