Chapter 16
Issues and Prospects of Sugar Industry: An Evidence from India

Ajit Dhar Dubey
DDU Gorakhpur University, India

ABSTRACT

This chapter explains the sugar industry of Uttar Pradesh, which plays a significant role in the economy. An attempt has been made to critically analyze the role of cane growers and the significant number of employees who are directly employed in this industry. Statistical figures suggest that, during 2010-12, the sugar industry in Uttar Pradesh paid around 78.27 Crores of Rupees as cane price to the growers and around 15 Crores of Rupees as wages to about 30,000 persons employed directly in the industry. The industry contributed more than 20.8 Crores of Rupees to government exchequer in the form of cane cess and excise duty on sugar and molasses in addition to another sizeable amount by way of commercial taxes, income tax, and other levies. An in-depth study is carried out to understand decent working time conditions of these cane workers who are the major factors for increasing production in this sector. The study focuses on increasing the productivity of these cane workers by effective allocation of time based on gender and age.

INTRODUCTION

In the same year a total of 3.44 lakh tonnes of sugar was produced worth about Rs.129 crores at the issues price in 1984. Leaving aside all this 1.55 lakh tonnes of molasses (a raw material for alcohol and prospective source of renewable energy), 13.36 lakh tonnes of bagasse (a raw material of paper industry if not used as fuel) and 1.34 lakh tonnes of press-mud (a good manure) was also produced by the industry as by-products, which accounted for another several crores of rupees Uttar Pradesh, specially North Uttar Pradesh cannot afford to lose sugar industry at any cost. It is so important vehicle for carrying progressive influences into the country side of Uttar Pradesh that no other agro-based industry can compete with it. Sugar factories came into existence in Uttar Pradesh in the beginning of 20th century, when indigo plantation disappeared. The industry developed

DOI: 10.4018/978-1-4666-7470-7.ch016
very firstly during 1930, when the total number of sugar factories rose to 36. Table 1 shows the increase in the number of sugar factories since 1931-32 to 2012-13.

Table 1 shows that up to 2012-13 there was a continuous increase in the number of sugar factories in Uttar Pradesh. In 2012-13, the number rose to 41; the fortune of the industry in Uttar Pradesh has been fluctuating.

**OBJECTIVES OF THE STUDY**

One of the essential factors for unrestricted growth and functioning of sugar industry is a satisfied, committed and trained labour force. Achievement of this objective is possible only if the labour issues are analyzed empirically in the right perspective with minute details. In this respect the other objectives of this study are:

1. To focus its attention to the historical development of sugar industry and condition of labourers in pre-independence India and afterwards.
2. To make a comprehensive comparative study of condition of sugar mills workers in pre and post-independence period to workers in other industries.
3. To study the wage structure and Decent Working Time Index in this industry.

**HYPOTHESES**

**H₁:** Failure to implement the collective agreements, labour legislations and the recommendation of the Wage Board are the vital cause of dissatisfaction.

**H₂:** Most of the Works Committees and Management are paper bodies and Management and Worker both are reluctant to these bodies.

**H₃:** Remnants of feudal values still prevail among employers and employees, which obstruct the growth of powerful Decent Working Time Index.

**METHODOLOGY**

While conducting the investigation into the working of the individuals’ of sugar factories, personal discussion, enquiries and contact were made with the factory managements, mass of labourers and other agencies which were concerned as a source of primary data. In Source of research it intends to enquire about several problems pertaining to labour conditions, labour relations verbally and by mutual discussion. In this connection, it has been resorted to the veracity of the testimony of several persons and officials in authority. Primary and secondary both types of data have been used. T-test and Chi Square test with the help of SPSS version 12 particularly to test the hypotheses.

**NATURE AND CLASSIFICATION OF LABOUR FORCE ON THE BASIS OF WAGES, SKILL, GRADE, AND SEX**

There are three types of employees in sugar industry, operatives, clerks and supervisory. On
Related Content

Understanding the Dependence Structure Between the Futures and Spot Prices of Wheat in Egypt

Governance for Food Security: A Framework for Social Learning and Scenario Building
[www.igi-global.com/article/governance-for-food-security/196170?camid=4v1a](www.igi-global.com/article/governance-for-food-security/196170?camid=4v1a)

Understanding the Dependence Structure Between the Futures and Spot Prices of Wheat in Egypt

The Conundrums of Strategic Leadership: Leading of Organizations, in Organizations, or through Organizations?
[www.igi-global.com/chapter/the-conundrums-of-strategic-leadership/173631?camid=4v1a](www.igi-global.com/chapter/the-conundrums-of-strategic-leadership/173631?camid=4v1a)