

**CONTRACT LABOUR POLICIES AND PRACTICES AT ULTRATECH CEMENT LIMITED  
IN ANDHRA PRADESH**

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**ABSTRACT :**

This study aims to explore and analyze the contract labour policies and practices implemented at Ultratech Cement Limited in Jaggiyapet Andhra Pradesh. The use of contract labour in industries such as cement manufacturing has become a crucial part of the workforce structure, offering operational flexibility and cost efficiency. However, the effective management of contract labour is vital for ensuring compliance with labor laws, improving productivity, and maintaining a positive work environment. The research focuses on understanding the key policies that govern the engagement of contract labour, the processes involved in hiring, managing, and compensating contract workers, and the welfare measures provided by Ultratech Cement Limited. The study also examines the challenges faced by both management and workers, including issues related to working conditions, legal compliance, and the impact of contract labour on overall organizational performance. A mixed-method approach has been adopted, combining qualitative interviews with human resource managers and contract workers, as well as quantitative surveys to assess satisfaction levels, perception of fairness, and the effectiveness of the current labour management system. Additionally, the study evaluates the alignment of Ultratech Cement's policies with national labor laws and industry best practices. The findings suggest that while Ultratech Cement Limited has a robust contract labour management system in place, there are areas for improvement, especially in enhancing worker welfare, ensuring consistent enforcement of labor policies, and strengthening communication between the company and its contract workforce. The study concludes with recommendations for refining contract labour policies to improve both the legal compliance and the overall working conditions of contract workers, ultimately contributing to greater operatinities

**INTRODUCTION :**

India is the world's second-largest cement manufacturer. It makes up more than 8% of the installed capacity worldwide. The cement industry is anticipated to gain the most from India's potential for expansion in the infrastructure and building sectors. The desire for rural housing in India has also increased the usage of cement, which is one of the cheapest products to purchase in terms of rupees per kilogram. One of the key factors driving demand for the cement industry is the robust expansion of the industrial sector, which has completely recovered from the COVID-19 pandemic shock. Consequently, there is a good chance that the long-term demand for the cement sector will raise. The creation of 98 smart cities is only one of the current efforts that are anticipated to have a big impact on the industry. A number of international companies, including Lafarge-Holcim, Heidelberg Cement, and Vicat, have recently made investments in the nation with the help of appropriate government foreign policies. The easy access to raw resources for creating cement, like limestone and coal, is a crucial factor that supports the sector's expansion.

**India now produces 298 MTPA of cement per installed capacity of 553 MTPA.**

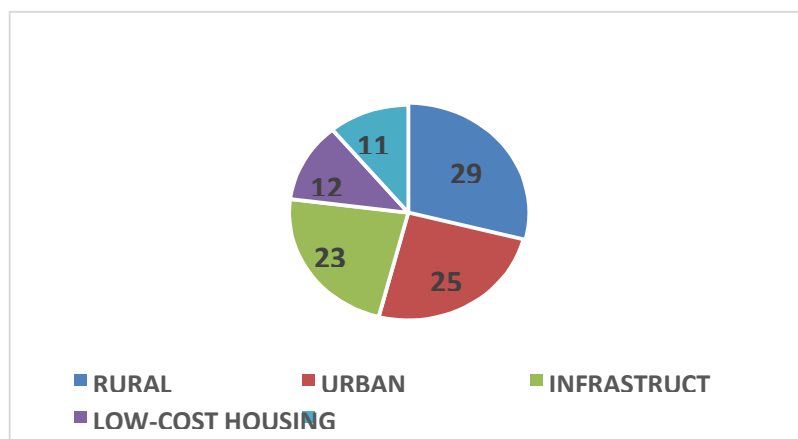
**MARKET SIZE**

India's demand for cement is growing at a CAGR of 5.6 percent between 2016 and 22. India has expansive limestone reserves of excellent quality and volume, which offers the cement sector tremendous expansion eventuality. There are 127 big cement plants in India 77 - Andhra Pradesh, 24 -

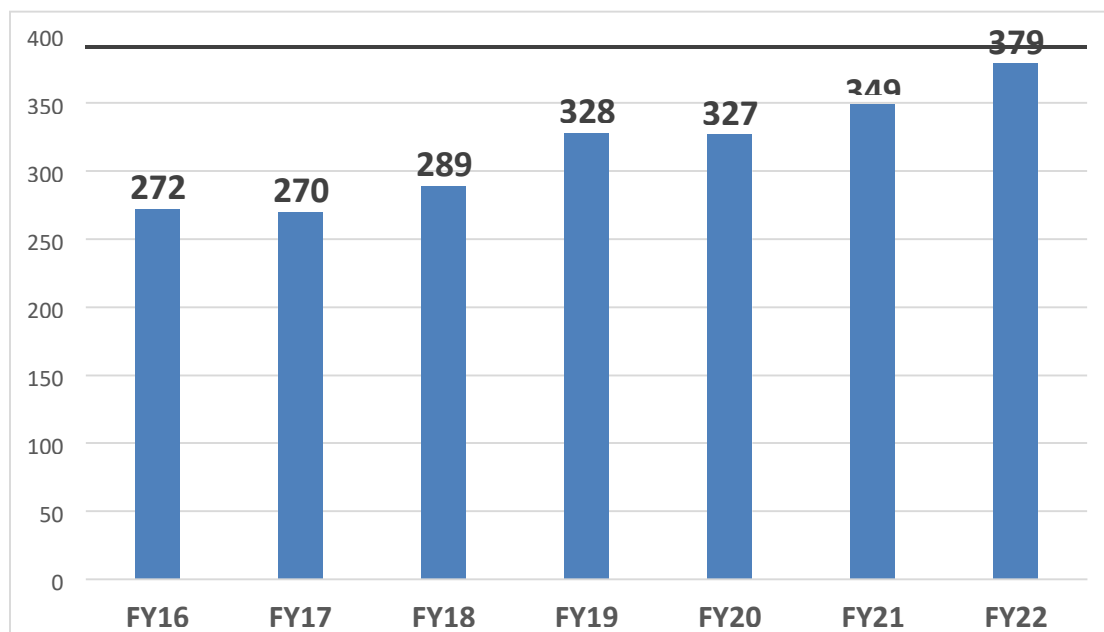
## INVESTMENTS

- Between April 2000 and September 2022, FDI inflows into the sector, which is involved in the production of cement and gypsum products, totaled US\$5.49 billion.
- In 2022, PE/VC investments totaled US\$ 5.81 billion across 71 projects in real estate and US\$ 7.9 billion across 47 deals in infrastructure, respectively.
- Compared to December 2021, PE/VC investments in real estate and infrastructure saw a strong 27% increase, reaching US\$13.7 billion in December 2022.
- According to DGCIS, India exported US\$118.15 million worth of Portland cement, aluminous cement, slag cement, super sulphate cement, and similar hydraulic cement in FY21.
- According to Invest India, the National Infrastructure Pipeline (NIP) increased from 7,400 to 9,305 projects.

## Cement Demand in FY21



## Cement Production (Million Tones)



**OBJECTIVES OF THE STUDY :**

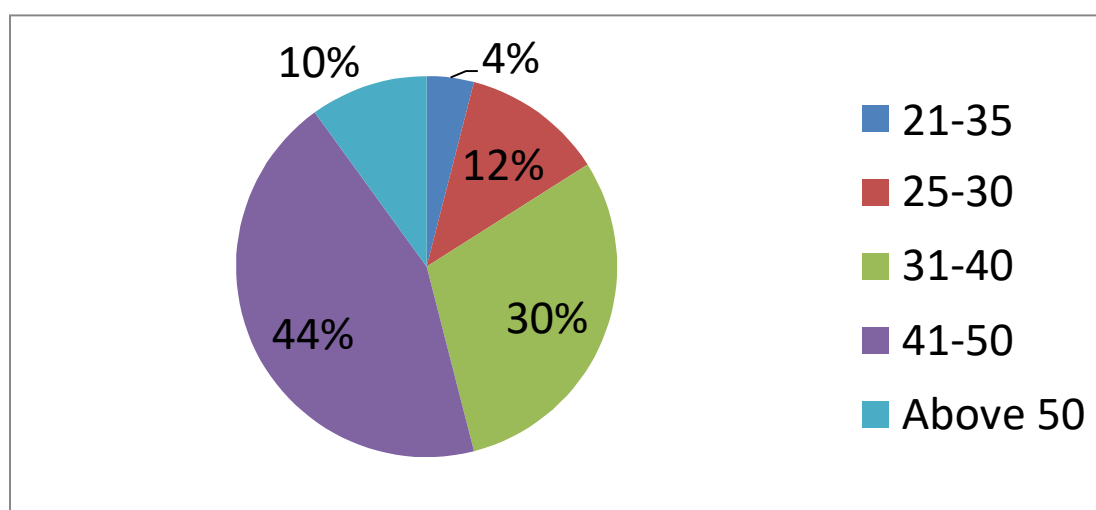
1. To determine whether the contract labor are aware of the labor act and their rights at UTCL, Tadipatri.
2. To study the perception of the contract labor towards the facilities provided by the factory management at UTCL, Tadipatri.
3. To study the impact of the contract labor on production at UTCL, Tadipatri.

**RESEARCH AND METHODOLOGY :**

Data is collected from primary and secondary sources. Collection of the data is of primary importance in the research process. Data which is collected for the purpose of research helps in proper analyze which is helpful to conduct research effectively. The data source, which is very important in the collection of data, is primary data and secondary data..

**DATA ANALYSIS AND INTERPRETATION :****Table:**

Age	No. of respondents	% Of respondents
21-25	2	4
25-30	6	12
31 – 40	15	30
41-50	22	44
50 and above	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

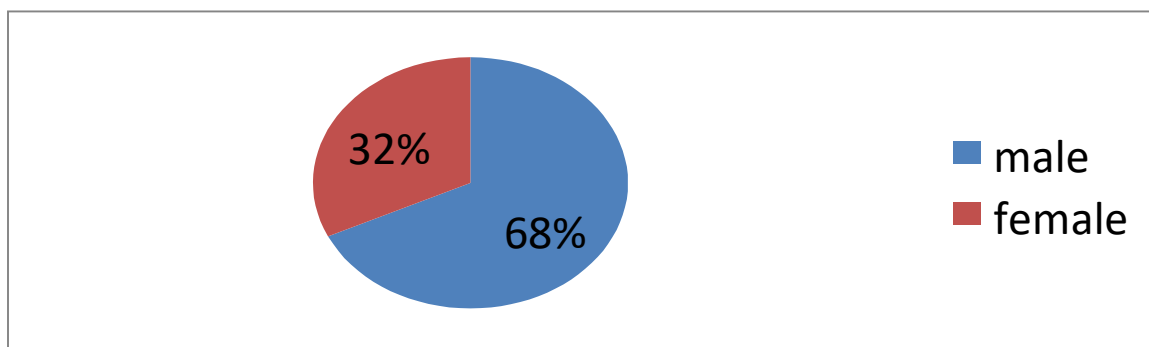
**Source: Primary data****Chart No:****INTERPRETATION:**

The above table shows, it is clear that 4% of the respondents are under the age of 25, 12% of the

respondents are between the age group of 25 – 30, 30% of the respondents are between the age group of 31 – 40, 44% of the respondents are between the age group of 41-50 and 10% of the respondents are 50 and above.

**RESPONDENTS GENDER ANALYSIS:****Table**

Gender	No. of respondents	% Of respondents
Male	34	68
Female	16	32
<b>Total</b>	50	100

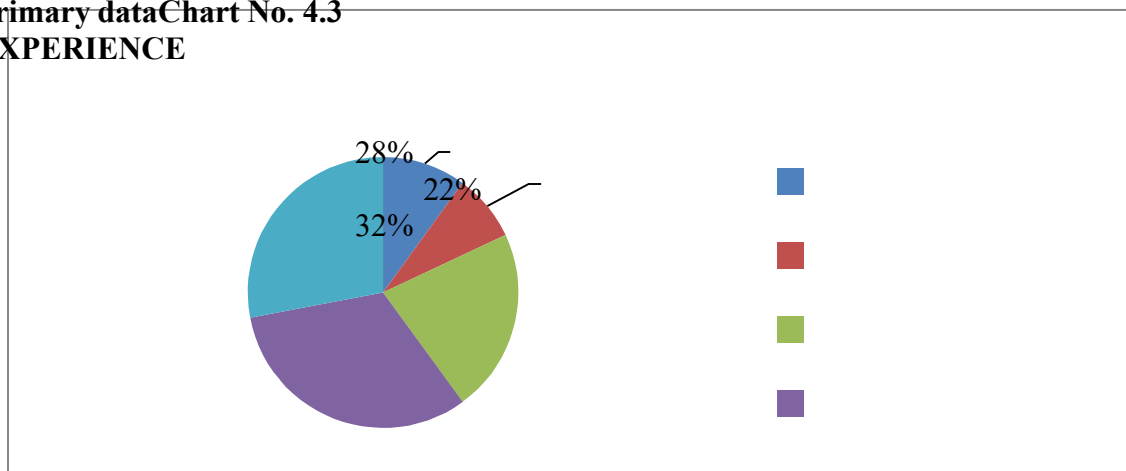
**Source: Primary data****Chart No.4.2****EXPERIENCE OF RESPONDENTS:****Table**

No of years' experience	No. of respondents	% Of respondents
0-1 year	5	10
1-5 years	4	8
5-10 years	11	22
10-15 years	16	32
15 years above	14	28
<b>Total</b>	50	100

Source: Primary data

### WORK EXPERIENCE

10%  
8%



### INTERPRETATION:

The above table shows, it is clear that 10% of the respondents are below one year in the factory, 8% of the respondents are working for 5 years, 22% of respondents are working for 10 years, 32% of respondents are working for 15 years and 28% of respondents are working for more than 15 years experienced employees.

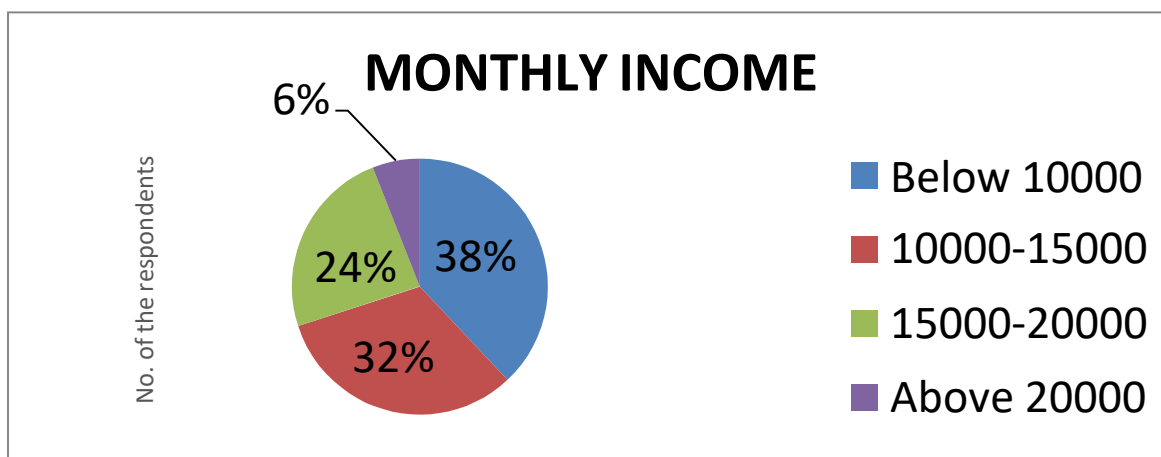
### Monthly Income of the respondents:

Table:

Monthly Income	No. of respondents	% Of respondents
Below 10000	19	38
10000-15000	16	32
15000-20000	12	24
20000 Above	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

Chart No.



**INTERPRETATION:**

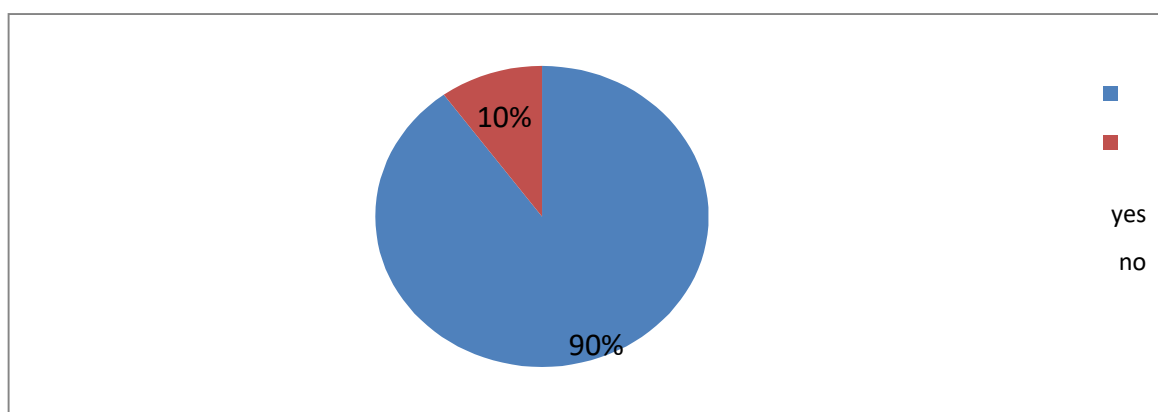
The above table shows, 38% of the respondents are having income below 10000, 32% of respondents are having income below 15000, 24% of respondents are having income below 20000 and 6% of respondents are having income above 20000.

**Labor attending medical check-up**

Table: 4.5

Attributes	No. of respondents	% Of respondents
Yes	45	90
No	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary dataChart No.



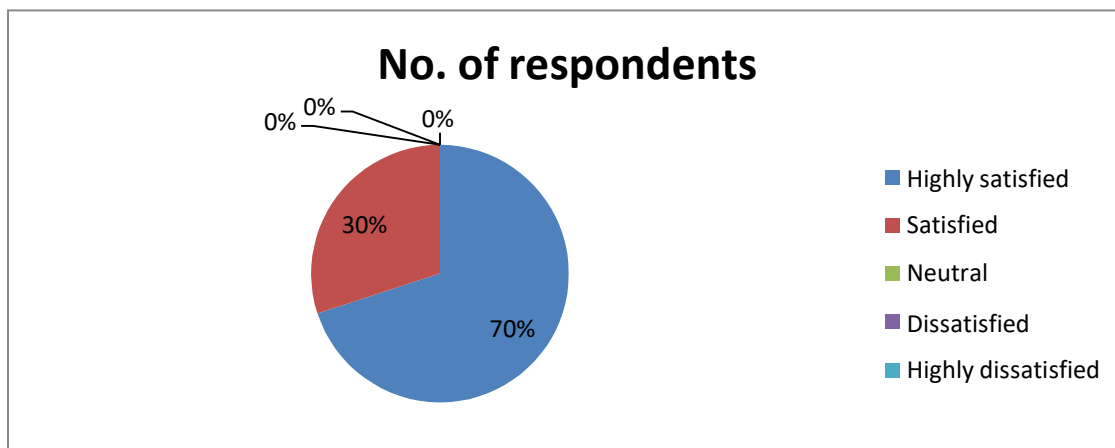
**INTERPRETATION:**

The above table shows, 90% of the respondents are attending the annual medical check-up, 5% are not attending the medical check-up.

Opinion on the safety measures:

**Table:**

Satisfaction level	No. of respondents	% Of respondents
Highly satisfied	35	70
Satisfied	15	30
Neutral	0	0
Dissatisfied	0	0
Highly dissatisfied	0	0
<b>Total</b>	<b>50</b>	<b>100</b>



#### **INTERPRETATION:**

The above table shows, 70% of the respondents about the opinion of their safety measures is highly satisfied, 30% are satisfied.

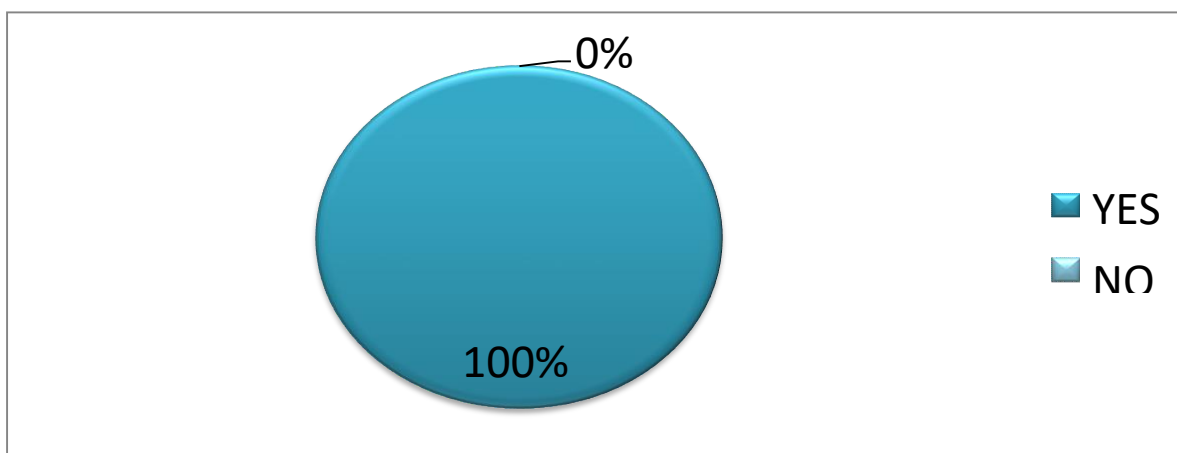
4.1. Labor attending safety training sessions:

**Table:**

Attributes	No. of respondents	% Of respondents
Yes	50	100
No	0	0
<b>Total</b>	<b>50</b>	<b>100</b>

**Source: Primary data**

**Chart No:**



**INTERPRETATION:**

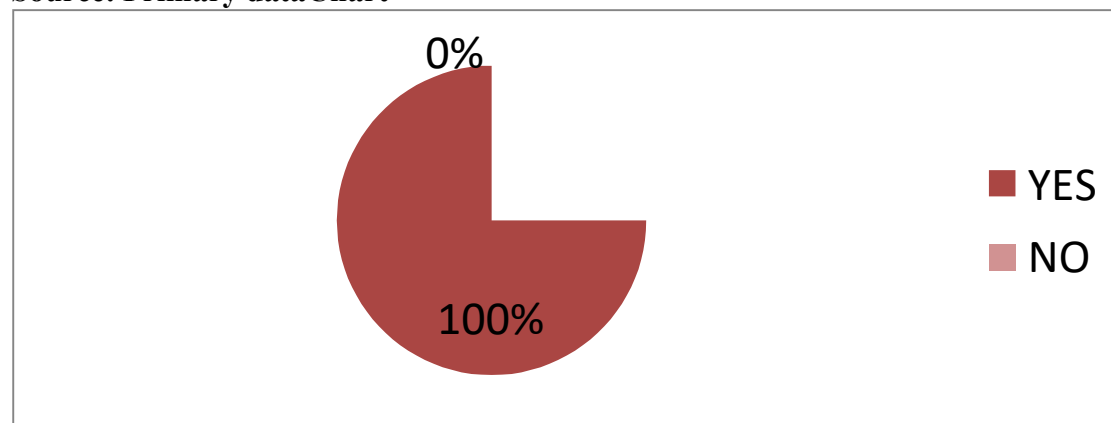
The above table shows, 93% of the respondents are satisfied with the management and remaining 7% are feeling not satisfied.

**Opinion of labor on warning sign boards arranged by the factory management in the work place**

**Table 4.8**

Attributes	No of respondents	%Of respondents
YES	50	100
NO	0	0
TOTAL	50	100

**Source: Primary data**



**INTERPRETATION:**

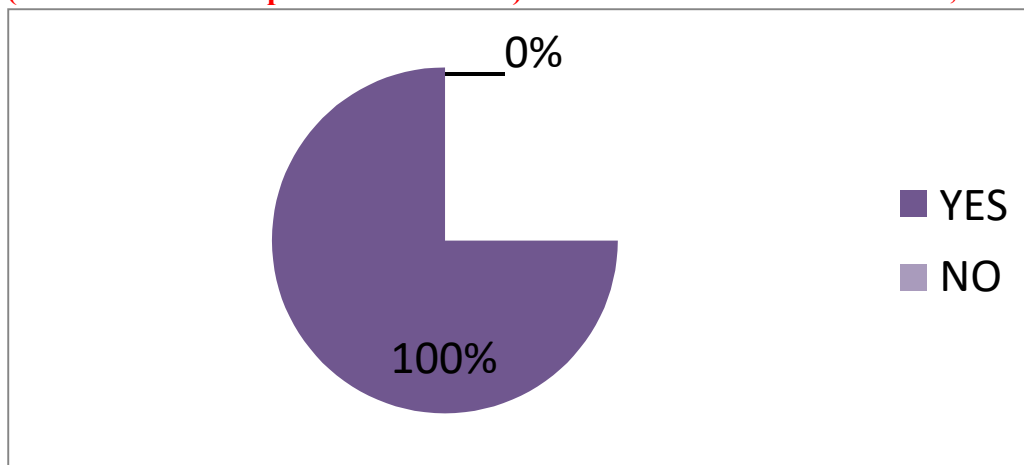
The above table shows that there are warning sign boards arranged by the factory in the workplace of the labour.

**Opinion of labour on receiving wages on time from the contractor**

Attributes	No of respondents	% of Respondents
Yes	50	100
No	0	0
Total	50	100

**Source: Primary data**





**INTERPRETATION:**

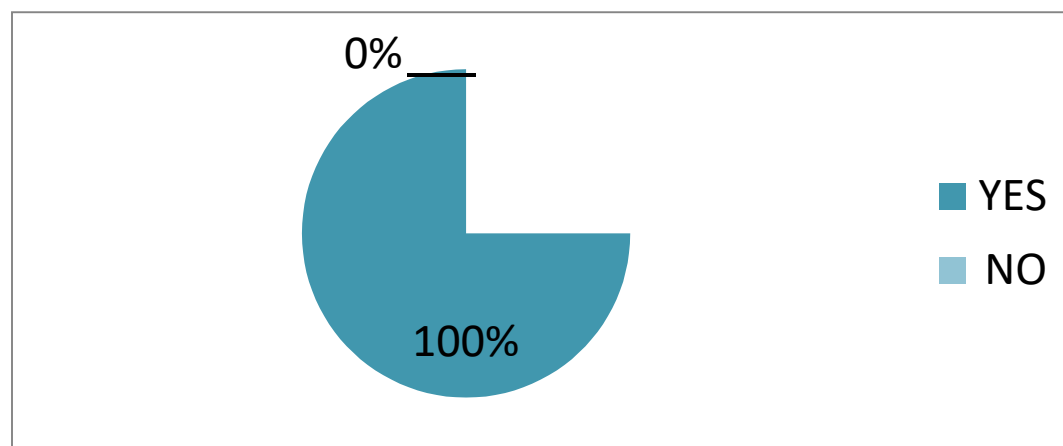
The above table shows that the contract labour are receiving the wages from the contractor on time. Opinion of labour if the contractor follows the statutory compliances like PF and ESI

**Table 4.10**

Attributes	No of respondents	%Of respondents
YES	50	100
NO	0	0
TOTAL	50	100

**Source: Primary data**

**Chart :**



**INTERPRETATION:**

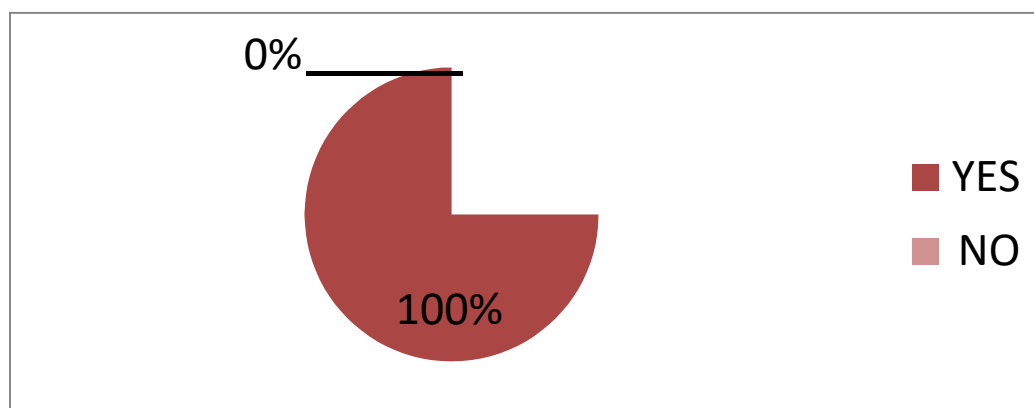
The above table shows that the contractor follows the statutory compliances like PF and ESI.

**Opinion of labour on the contractor follows the government rules in providing the wages**

**Table 4.11**

Attributes	No of respondents	%Of respondents
YES	50	100
NO	0	0
TOTAL	50	100

**Source: Primary data**  
**Chart 4.11**



#### **INTERPRETATION:**

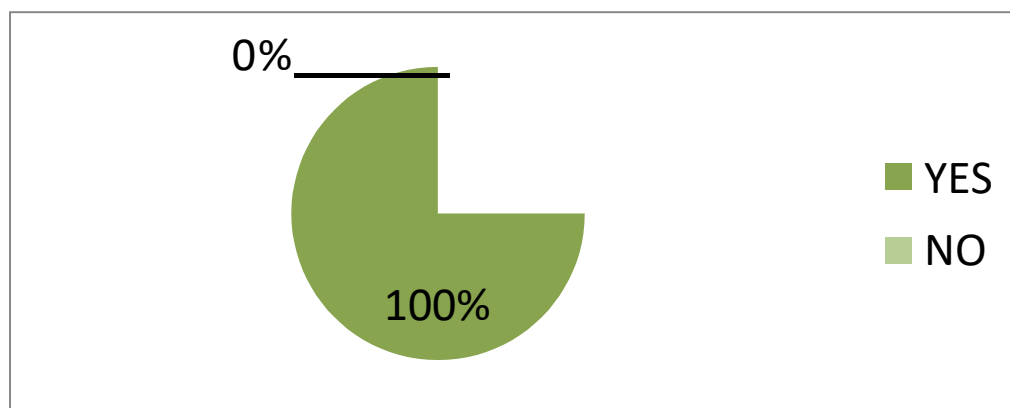
The above table shows that the contractor follows the government rules in providing the wages to the contract labour.

#### **4.10. Opinion of labour getting over time wages for the extra work they do**

**Table 4.12**

Attribute s	No of respondents	%Of respondents
YES	50	100
NO	0	0
TOTAL	50	100

**Source: Primary data**  
**Chart**



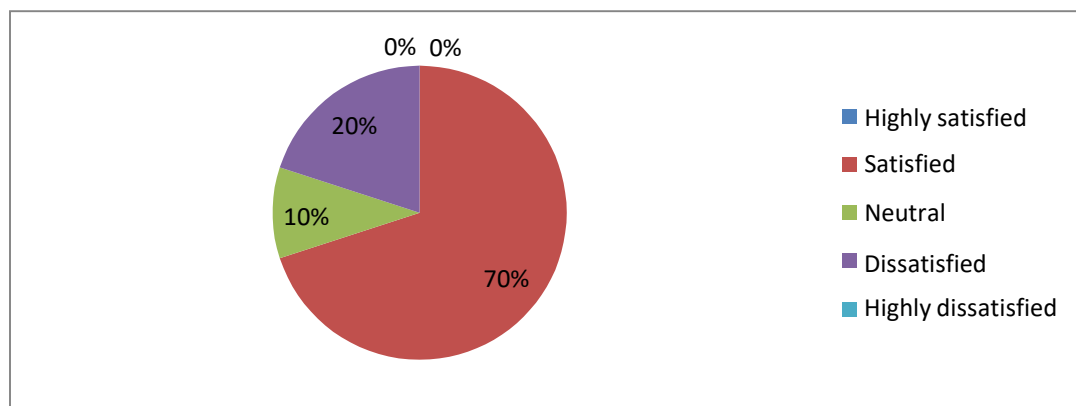
**INTERPRETATION:**

The above table shows that the contract labours are receiving overt time wages forthe extra work they do.

**Opinion of labour on the redress of grievances by the factorymanagement**  
**Table**

Satisfaction level	No. of respondents	% Of respondents
Highly satisfied	0	0
Satisfied	35	70
Neutral	5	10
Dissatisfied	10	20
Highly dissatisfied	0	0
<b>Total</b>	<b>50</b>	<b>100</b>

**Source: Primary data**  
**Chart**



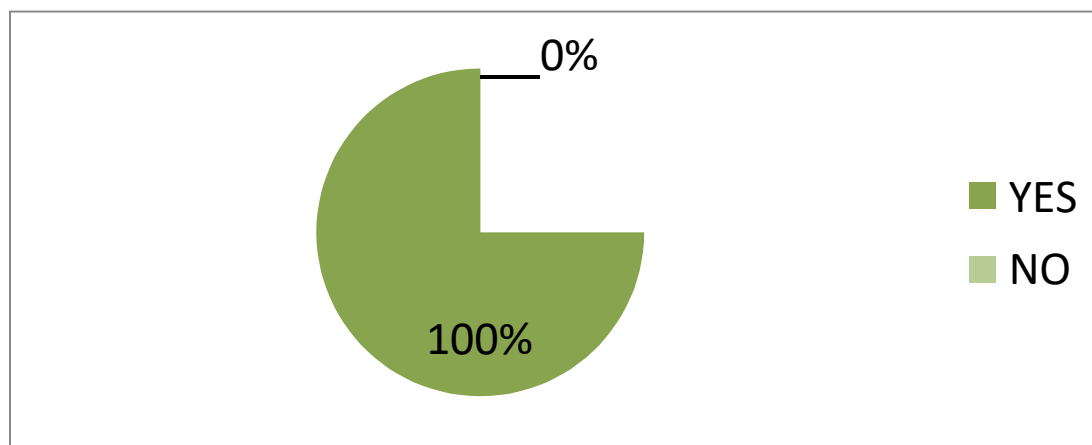
**INTERPRETATION:**

The above table shows that 70% are satisfied, 10% are neutral and 20% are dissatisfied with the redress of grievances by the factory management.

**Opinion of labour on receiving PPE kits as per time from the factory management**  
**Table**

Attributes	No of respondents	%Of respondents
YES	50	100
NO	0	0
TOTAL	50	100

**Source: Primary data**  
**Chart**



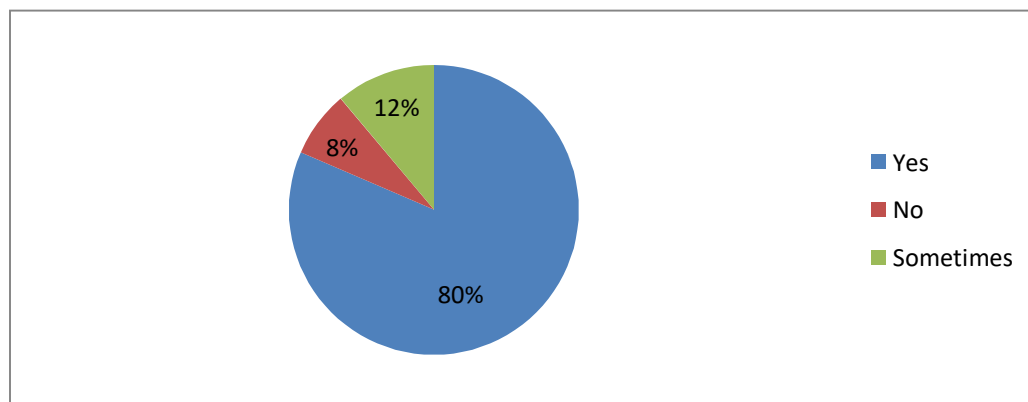
**INTERPRETATION:**

The above table shows that all the contract labour are receiving PPE kits as per time from the factory management.

**Opinion of labour on receiving basic tools and equipment's from the contractor for performing the duty**  
**Table**

Attributes	No of Respondents	% of Respondents
Yes	40	80
No	4	8
Sometimes	6	12
Total	50	100

**Source: Primary data**



### **INTERPRETATION:**

The above table shows that that 80% of the labour are receiving basic tools and equipment's, 8% are saying that the do not receive tools at all and 12% are saying the receive tools sometimes.

### **FINDINGS**

- The people under the age of 25 working as contract labour are 4%, the people between the age group 25-30 are 12%, the people between the age group 31-40 are 30%, the people between the age group 41-50 are 44% and the people above the age group 50 are 10%.
- The people who responded are 68% male and 32% are female.
- The people working for below one year in the factory are 10%, the people working for below 5 years are 8%, the people working for below 10 years are 22%, the people working for below 15 years are 32% and the people working for above 15 years are 28%.
- The 38% labour working in the factory are having income below 10000, 32% of labour are having income below 15000, 24% of the labour are having income below 20000 and 65 of the labour are having income more than 20000.
- 90% of the labour attends the medical check-ups and 10 % of the labour does not attend the medical check-ups conducted by the factory.
- 70% of the labour had said the safety measures are good and 30 % said they are excellent
- 100% people working in the factory are attending the safety training sessions organized by the factory.
- It is found that there are warning sign boards arranged by the factory management in the work place and the factory premises.

### **CONCLUSION :**

- The factory management of Ultra Tech Cement Limited is following the labour laws relating to The Factories Act 1948, The Payment of Wages Act 1936 and The Contract Labour Regulation and Abolition Act 1970 in correct manner.
- Majority of the labour working show satisfaction to the maximum extent. The UTCL Company has improved the labour's quality of work and their job efficiency by providing good working environment. The labour have also shown satisfaction with regard to wages, working conditions, welfare facilities, motivational talks, incentives, job responsibility, safety and security and nature of work etc....

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