

# STUDY OF NATURAL STONE SECTOR: SANDSTONE (RAJASTHAN) & BLACK GRANITE (TELANGANA)

# **CONTENTS**

| LIST OF ABBREVIATIONS  | 3  |
|--|----|
| SECTION 1: INTRODUCTION  | 4  |
| Background: Sandstone and Black Granite                          | 4  |
| Governance of Mines and Minerals                                 | 4  |
| About the study  | 8  |
| Objectives of the Study:   | 8  |
| Limitations of the study   | 8  |
| WORKING CONDITIONS IN SANDSTONE QUARRIES                         | 10 |
| Recruitment of workers   | 10 |
| Hours of Work and Provision of Leaves                            | 10 |
| Wages and Benefits   | 11 |
| Occupational Health and Safety                                   | 13 |
| Harassment and Abuse   | 17 |
| Grievance redressal mechanism                                    | 17 |
| Working Conditions in Sandstone Stockyards                       | 19 |
| Recruitment of workers:  | 19 |
| Hours of Work and Provision of Leaves                            | 19 |
| Wages and Benefits   | 20 |
| Occupational Health and Safety                                   | 21 |
| Harassment and Abuse   | 22 |
| Grievance redressal mechanism                                    | 23 |
| Observation of good practices                                    | 23 |
| Working Conditions in Sandstone Processing units                 | 24 |
| Recruitment of workers:  | 24 |
| Hours of Work and Provision of Leaves                            | 25 |
| Wages and Benefits   | 25 |
| Occupational Health and Safety                                   | 27 |
| Harassment and Abuse   | 27 |
| Grievance redressal mechanism                                    | 28 |
| Prevalence of child labour and young workers in sandstone sector | 29 |
| Prevalence of forced labour in sandstone sector                  | 31 |
| Working Conditions in Black Granite Quarries                     | 32 |
| Recruitment Process  | 32 |
| Hours of Work and Provision of Leaves                            | 33 |
| Wages and Benefits   | 34 |

| Occupational Health and Safety (OSH) of Workers           | 37 |
|---|----|
| Provision of accommodation for migrant workers            | 39 |
| Harassment and Abuse                                      | 39 |
| Grievance Redressal Mechanism (GRM) for workers           | 40 |
| Working Conditions in Black Granite Processing Units      | 40 |
| Recruitment Process                                       | 40 |
| Hours of Work and Provision of Leaves                     | 41 |
| Wages and social security benefits                        | 41 |
| Occupational Health and safety (OSH) of workers           | 43 |
| Harassment and Abuse                                      | 44 |
| Grievance Redressal Mechanism (GRM) for workers           | 44 |
| Provision of accommodation for migrant workers            | 44 |
| Presence of NGOs and Trade Unions in Black Granite Sector | 45 |
| Prevalence of Child Labour in Black Granite Sector        | 46 |
| Prevalence of forced labour in Black Granite Sector       | 47 |
| Annexure 1: Methodology                                   | 49 |
| Annexure 2: Key issues in Natural Stone Sector            |    |

#### LIST OF ABBREVIATIONS

APL | Above Poverty Line

ASK Association for Stimulating Know-how

BPL **Below Poverty Line** 

**CDOS** The Centre for Development of Stones

**DGMS** Directorate general of Mines and Safety

DMG Department of Mines and Geology

ESI Employee State Insurance

**FGD** Focus Group Discussion

IBMIndian Bureau of Mines

ICN India Committee of the Netherlands

In depth interviews IDI

IRBC International Responsible Business Conduct

Key Informant Interviews ΚII

Mines and Minerals Mines and Minerals (Regulation MMDR Act

and Development) Act

NGO Non-Government Organisation

Organisation for Economic Development and **OECD** 

Cooperation

OT Overtime

PF Provident Fund

Rajasthan State Industrial Development and RIICO

**Investment Corporation** 

#### **SECTION 1: INTRODUCTION**

#### **Background: Sandstone and Black Granite**

Ensuring ethical working conditions in natural stone production and supply chain matter a great deal in India, because India is a leading producer and exporter of natural stone in the world. The main types of stone exported by India are granite, marble, sandstone, limestone. On average, approximately 10% of the natural stone which includes dimensional stones such as granite, sandstone, slate, and marble traded in the world market is exported from India. Further, 20% of the world's granite resources are exported by India alone, thereby making it the second-largest exporter after China and the fifth largest exporter of processed granite (value-added finished) products<sup>1</sup>. The main markets are the EU (which includes UK, Germany and France), USA, Canada, Australia, New Zealand, Japan and Korea, which used to be the main buyers in the late eighties and in early nineties, China took over the market completely. Incidentally, China has emerged as the largest player in stone industry surpassing even Italy form the first position. With the threat to the Indian industry by China and few other East European countries, like Poland, Romania, Hungary and South Africa and the latest Vietnam.<sup>2</sup>

The natural stones produced and supplied from India undergo multiple processing stages and are used globally for both interior and exterior construction, in commercial as well as domestic properties. This creates intricate global supply chains and renders it difficult to pursue accountability against firms placed higher in the supply chain for the human rights abuses taking place at the quarry level.<sup>3</sup>

#### **Governance of Mines and Minerals**

In India, the governance structure of mines and minerals is bifurcated along quasi-federal lines. Minerals are classified into major and minor minerals under the Mines and Minerals (Regulation and Development) Act 1957 (MMRD Act). Concessions for major minerals are administered by the central government, while minor minerals are under the authority of individual state governments. Further, India has two key central government agencies controlling the overall mining sector: the Directorate General of Mines Safety (DGMS), and the Indian Bureau of Mines (IBM). The DGMS, formed under the Indian Mines Act 1952, controls safety and labour conditions in mines irrespective of the major/minor mineral distinction contained in the MMDR Act. The IBM is a subordinate office under the central Government's Ministry of Mines and has no administrative or regulatory power over minor minerals like both sandstone as well as black granite hence controlled directly by DGMS.

Both black granite and sandstone are designated as minor minerals, under the MMRD 1957 Act. This means the Government of Telangana and Rajasthan have the power to make rules and regulations, grant mineral concessions, prescribe and collect royalty rates and taxes, while also being responsible for the control of illegal mining. The officers of IBM and DGMS have no authority to inspect and control the activities of sandstone and black granite-mines and quarries and thus have no jurisdiction for collecting statistical figures of production, employment, number of quarries etc. on such quarries. They therefore depend upon the figures supplied by state governments, which are, however, not always reliable.

Quarry owners obtain a lease license from the government to quarry an area. Typically, the quarry lease is obtained for 99 years. The key agencies involved in the lease process: (1) the Department of Mines and Geology, (2) the Department of Forests and Environment, (3) the Revenue Department, and (4) local bodies such as Panchayat Samitis. The surface lease is

<sup>&</sup>lt;sup>1</sup> http://www.stonemarket.co.uk/documents/sandstone-quarrying-in-india.pdf

<sup>&</sup>lt;sup>2</sup> http://www.ijoart.org/docs/A-Study-on-Trend-of-Export-of-Natural-Stones-from-India-to-Various-Countries.pdf

<sup>&</sup>lt;sup>3</sup> http://www.stonemarket.co.uk/documents/sandstone-quarrying-in-india.pdf

The study reflected that while most of the sandstone (Rajasthan) and black granite (Telangana) stones quarries sell the stones in forms of blocks to the processing units from where it is exported to the international and domestic markets. However, during the study, the other trend observed is that there is an increase in direct export of stone blocks from quarries for both black granite and sandstone to Chinese buyers. The Chinese buyers also import from processing units. The industry representatives interviewed stated that China has multiple advantages over India for trading in the in the international market:

- ⇒ There are better technological innovations and machineries in China
- ⇒ Taxes are more favourable for the industries, as compared to India
- ⇒ Labour costs are also lower as compared to India. Hence they can sell it at a cheaper price to the global market than India.

The supply chains of natural stones have some key players. The figure below details out the roles of each player in a systematic way as is reflected in the supply chains of both black granite and sandstone.

Figure 1: A typical supply chain of black granite and sandstone

## Quarries

•The quarries are extracting the stones in forms of blocks which are then further cut to meet the required quality standards. These blocks are then exported to China or processing units. The quarries are regulated by the Mines Act and other relevant acts.

# Stockyard

 These are present only in the supply chain of sandstone. The stockyards are work-sites where blocks are further split into slabs manually without use of power and machineries. Cobble stones are also produced in these work-sites. The slabs and stones are either directly exported through Exporters, sold in domestic market or to processing units.

#### **Processin** a Units

•The processing units further cut the blocks using machines into thin slabs, polish slabs of different dimesions and sell to the internationally market directly or through Exporters, or in the domestic market.

#### **Exporters**

•The Exporters are sourcing slabs, cobble stones of both black granite and sandstone from the processing units and stockyards in case of sand stones, then sell it to the international market.

# Companie

 The companies in Europe and USA source natural stones from India either directly or through China. These stones are used in the construction of monuments, kitchen slabs, door frames (black granite) and pavements (sandstones)

The traceability of the products imported by the countries in Europe, specifically Belgium and Netherlands is critical for adhering compliance to the TruStone Initiative.

The Dutch and Flemish governments expect businesses to focus attention on International Responsible Business Conduct and sustainable chain management. These requirements are indeed laid down in international guidelines and obligations such as the United Nations Guiding Principles on Business and Human Rights, the Guidelines for Multinational Enterprises from the Organisation for

Economic Cooperation Development (OECD) and the fundamental labour standards from the International Labour Organisation (ILO)<sup>4</sup>.

The TruStone Initiative covers the entire production chain of companies and focuses in particular on the themes of discrimination and gender, child labour, forced labour, living wage, freedom of association and collective bargaining, health and safety, land rights and the environment. In this respect, the initiative goes further than most other initiatives<sup>5</sup>. The multi-stakeholder TruStone Initiative entered into force on October 1, 2019.

#### Key stakeholders operating in the sector: Sandstone and Black Granite

Both the black granite and sandstone sectors in India are characterised by the presence of multiple stakeholders (private and government) across different levels: community, district and state. Table 2 lists the key stakeholders involved in the black granite and sandstone sectors in Telangana and Rajasthan:

Table 1: Stakeholder Mapping

| Stakeholders   | Role In The Supply Chain  |
|--|---|
| Workers: Quarries and Processing units   | Black granite: Workers in the quarries and processing units can be classified into: migrant and local. Typically, migrant workers are employed for the skilled processes and local workers either are engaged for unskilled processes or as Supervisors, based on their skill level.  Sandstone: There is an additional worksite as stockyards as mentioned earlier. The local workers are mostly hired in skilled operations, while migrants from Madhya Pradesh, Uttar Pradesh and Bihar are working in unskilled jobs. |
| Management Representatives of quarries, stockyards (sandstones) and processing units | The management representatives include the supervisors, owners and the care taker of the quarries and processing units. They oversee the production in the processing units and quarries, manage the contractors and workers and maintain the upkeep of the worksite.   |
| Trade Unions   | The trade unions in the quarries and processing units collectively bargain on the behalf of workers for ensuring decent working conditions: higher wages, access to PF, access to healthcare facilities and insurance, availabilities of PPE, compensation against death and permanent disabilities. The trade unions are weak in both sandstone and black granite sectors.   |
| Labour Department  | The Labour Department monitors the Minimum Wages, Health and safety of workers. They also check if any of the processing units and quarries have involved child worker, if they find any they also do immediate rescue. The monitoring is weak due to lack of workforce strength in the departments in both states.   |

<sup>&</sup>lt;sup>4</sup> https://www.imvoconvenanten.nl/en/trustone/news/nieuwe-fase-natuursteen

https://www.cnvinternationaal.nl/ Resources/Persistent/b85f201ab571e7464a22ad0443c87edda26ff827/2020%20IRBC%20Agreement%20TruStone%20Initiative.pdf

| Directorate General of Mines and Safety (DGMS) | The main role of the department is to process the applications and inspection of lease holders. They also keep a check on health and safety of the quarry workers. |
|--|--|
| Department of Mines and Geology (DMG)          | This department keeps a check on the technical aspects of a quarry and also checks the permit that is required to start a quarry.                                  |

# About the study

The globalization of supply chains brings immense benefits associated with inherent risks, especially with regards to social and environmental sustainability. Companies, consumers and policy makers are therefore, now seeking ways to address risks associated with across the globalized supply chains. As a result, an array of governmental as well as private sector initiatives have emerged to address such issues pertaining to upstream supply chains, while sourcing companies are consistently exploring how best to respond to growing demands to ensure responsible and safe supply chains.

As against this background, representatives from the Dutch and Flemish natural stone sector have reached agreements with the Dutch and Flemish governments, NGOs and trade unions concerning a more responsible production and purchase of natural stone. The programme is called 'TruStone Initiative'. The OECD Guidelines for Multinational Enterprises serve as the starting point for International Responsible Business Conduct (International RBC or IRBC) and for this Initiative. The Dutch government expects companies that operate internationally to adhere to the principles of responsible business conduct spelled out in the OECD Guidelines with a focus on 'responsibility to respect human rights'. Consequently, multiple pilot studies have been undertaken since 2017-2020 to understand how sustainable procurement practices can help stakeholders contribute effectively to reducing RBC risks in the production and supply chain, in particular the risk of child labour. IRBC-risks are for example: discrimination, child labour, forced labour, non-payment of living wage, right to organise and right to collective bargaining, health and safety, land rights and the living environment (including air, soil and water pollution).

As a part of this Initiative, ASK India has been commissioned to undertake a sectoral study of black granite and sandstone supply chain in Telangana and Rajasthan respectively with the aim of promoting sustainable procurement of these natural stones. It is anticipate that findings from these studies (togetherwith others) will demonstrate how sustainable procurement practices can help companies to contribute actively to reducing RBC risks in the production and supply chain, in particular the risk of child labour.

#### Objectives of the Study:

This was a sectoral study and was not undertaken in the specific supply chain of any company. Hence the findings of this study apply to the sector as a whole and not to any specific company, supplier or supply chain. The key objectives of this study is to develop a detailed understanding of International Responsible Business Conduct (IRBC-) risks and underlying causes in and around 1) the production of black granite in three districts of Telangana namely, Warangal, Mahabubabad and Khammam and 2) the production of sandstone in Dabi, Bundi district of Rajasthan.

- 1. Stakeholder mapping: Tracing the international and local natural stone companies present in the areas, identification of local or international NGOs and/or Trade Unions and other relevant stakeholders, including government officials at the district/state level to the natural stone supply chain.
- 2. Current working conditions
- 3. Scale and underlying causes of child labour

The analysis will form the basis for stakeholder dialogues in the two regions in March 2020 to evolve a way forward for the industry.

#### Limitations of the study

The working conditions prevalent in the supply chains of both sandstone and black granite have been highlighted in prior research and media article, which according to the industry have left a negative impact on suppliers (both quarries and processing units). The study team did not get access to the

suppliers (quarry or processing units) in neither of the sector due to reservations of the industry on the use of this information the study team was seeking to gather and their benefit from the same. In spite of consistent efforts few suppliers that were referred by TruStone member companies, refused to participate in the study and the ones directly approached by ASK team declined participation as well. In some quarries that the team visited, only general information about the management team structure and process of mining was shared. The study team was strictly prohibited to speak with the workers inside these quarries by the management.

As a result certain findings could not further analysed in terms of their root causes due to lack of access to the management.

## **WORKING CONDITIONS IN SANDSTONE QUARRIES**

#### Recruitment of workers

There are **two channels of recruitment:** by contractors or directly by the management. Workers are mobilised by contractors for specific jobs like drilling, cutting of blocks, splitting blocks into slabs or by other workers working in the quarries to be directly hired by the management. However, there is no formal process of recruitment followed at the quarry level.

As stated by a worker from Bijolia district working in sandstone quarry in Dabi, directly hired by the management, "Tomorrow morning if the supervisor says I have never worked at the quarry then I would have no documentation to prove my employment for the past two years". The management representatives also verified this gap in the systems wherein there is no formal process of providing any proof of employment to the workers, inducting them on the terms of employment or maintaining their records.

Table 2: Legal requirements for recruitment of workforce in quarries

#### **Procedural gaps:**

- 1. Non-issuance of appointment letters or job ID cards by the contractor or principal employer, which is a prominent trend, observed in the sector.
- 2. No proper induction given to workers at the time of joining as stated by 94% of the workers, except on wages and the kind of work to be done by the workers in the quarry.

| Current legal gaps   | Legal References   |
|--|--|
| <ul> <li>Non-issuance of passbook (to migrants) by principal employer and contractor</li> <li>Lack of maintenance workers' records by principal employer</li> <li>The contractors are not legally registered with the Department of Labour and Employment</li> </ul> | <ul> <li>Inter-State Migrant Workmen Act, 1979: "Principal employer to issue to every inter-State migrant workman, a pass book affixed with a passport size photograph of the workman with the date of recruitment, the date of employment; "wage period" total attendance/unit of work done (in respect of piece-rated migrant workman) total wages earned/deductions if any made/net amount paid and signature of contractor or his duly authorised representative with date; and name and address of the next of kins of migrant workman"</li> <li>Mines Act, 1952: "For every mine there shall be kept in the prescribed form and place a register of all persons employed in the mine showing in respect of each such person: the name of the employee with the name of his father or, of her husband or any other information necessary for identification; age, sex and nature of employment"</li> <li>Rajasthan Industrial Employment (Standing Orders) Rules, 1963: "Record of age (a) Every workman shall indicate his exact date of birth to the employer or the officer authorised by him in this behalf, at the time of entering service of the establishment"</li> </ul> |

#### Hours of Work and Provision of Leaves

The peak months of production at the quarry level are from January mid to July post which 40% of the mines close operations due to rainfall, which further reduces to only 25% of mines being functional in the

lean period of November to January. The mines are operational for 24 hours with each shift running for 10 to 12 hours in a day starting from 9 A.M. in the morning. The workers get an interval of 1 hour in the afternoon. The workers (44%) stated that they have never refused to do overtime work due to fear of termination of employment. 67% of the workers stated that they are not paid overtime wages for working beyond 8 hours, while the remaining 33% either receive overtime wages at a single rate or a flat rate of 50 or 60 INR per hour. On an average under the current practice, a worker works for 6 days in the quarries amounting to 60 to 72 hours of work in a week.

The key gaps observed based on discussions with workers and management representatives at the quarry level are the following:

Table 3: Legal requirements for working hours in quarries

#### **Current legal gaps Legal References** Excessive overtime for Extra wages for overtime: Where in a mine a person works above ground for quarry workers more than nine hours in any day or works below ground for more than eight No maintenance of daily hours in any day or works for more than forty-eight hours in any week whether above ground or below ground, he shall in respect of such overtime work be time records entitled to wages at the rate of twice his ordinary rate of wages, the period of overtime work being calculated on a daily basis or weekly basis, whichever is Non-payment more favourable to him. (The Mines Act, 1952, Section 33, sub-clause1) overtime waaes at a rate Overtime wages for piece rate workers: Where any person employed in a double the hourly wages mine is paid on piece-rate basis, the time-rate shall be taken as equivalent to No paid weekly off the daily average of his full time earnings for the days on which he actually No compensatory off for worked during the week immediately preceding the week in which overtime working on Sundays or work has been done, exclusive of any overtime, and such time-rate shall be other holidays deemed to be the ordinary rate of wages of such person. (The Mines Act, There is no provision for 1952. Section 33. sub-clause 2) annual leave with wages \* Annual leave with wages: Every person employed in a mine who has completed a calendar years' service therein shall be allowed, during the subsequent calendar year, leave with wages, calculated at the rate of one day for every twenty days of work performed by him. (The Mines Act, 1952, Section 52) \* Wages during leave period: For the leave allowed to a person employed in a mine, he shall be paid at a rate equal to the daily average of his total full time earnings for the days on which he was employed during the month immediately preceding his leave, exclusive of any overtime wages and bonus but inclusive of any dearness allowance and compensation \* Weekly rest day: No person shall be allowed to work in a mine for more than 6 days in a week (The Mines Act, 1952, Section 28) Mode of recovery of unpaid wages: Any sum required to be paid by the owner, agent or manager of a mine but not paid by him shall be recoverable as delayed wages under the provisions of the Payment of Wages Act, 1936

#### **Wages and Benefits**

The entire quarry workforce is classified as monthly rated, daily rated and piece rated workers. Monthly rated workers are entitled to a fixed month's rate irrespective of their volume of production. On the other hand, wages of piece rate workers are calculated based on the amount of work they are able to complete as per required quality standards, measured in square feet (sq ft).

Figure 2: Wage classification of sample workers

(a) On piece rate basis
(b) Fixed monthly wages
(c) Fixed daily wages

22%

44%

The following table presents the current wage structure at the sandstone quarries in Dabi region based on the different types of operations being undertaken by the workers. At the quarry level, the management draws distinctions between the skill level of workers only across two categories – skilled and unskilled.

Table 4: Wage structure in sandstone quarries in Dabi

| Categories of workmen      | Skill<br>category | Piece rated:<br>Amount per<br>square feet<br>(in INR/<br>Euro) | Daily rated:<br>Per day<br>wage rate<br>(in INR/Euro) | Monthly rated: (in<br>INR/Euro) | Average monthly earning in INR/Euro (for 26 days of work) |
|----------------------------|-------------------|--|---|---------------------------------|---|
| Driver                     | Skilled           | -  | -   | Up to 13,000 /<br>188 Euros     |   |
| Drilling                   | Skilled           | -  | 450 INR/6<br>Euros                                    |                                 | Up to 12,000 INR / 150<br>Euros                           |
| Cutting & splitting        | Skilled           | 5 INR / 0.10<br>Euros  | -   |                                 | Up to 10,000 INR / 125<br>Euros                           |
| Crane Operator             | Skilled           | -  | -   | Up to 15,000 /<br>188 Euros     |   |
| Helper                     | Unskilled         | -  | -   | 8000 INR / 100<br>Euros         |   |
| Waste stone collection     | Unskilled         | 25 INR per<br>truck  |   |                                 | Up to 3000 INR / 44 Euros (work is available for 20 days) |
| loading/unloading of slabs | Unskilled         | 175 INR/<br>truck  | -   |                                 | 7000 INR / 88 Euros<br>(work is available for 20<br>days) |

The piece rated workers engaged in the quarries would not earn minimum wages even if they work for 26 days in a month, whereas the average availability of work for waste stone collectors and loaders is of 20 days in a month. The following table provides the current status of wages vis-à-vis the state declared minimum wages:

The state specified minimum wages are as follows:

- Unskilled workers: 5850 INR/ 73Euros
- Semi-skilled workers: 6162 INR / 77 Euros
- Skilled workers: 6474 INR / 81 Euros
- Highly skilled workers: 7774 INR / 81 Euros

Workers across 6 quarries were interviewed during the study, amongst which only the monthly rated workers from one particular quarry stated that they get access to benefits of Provident Fund (PF) and Employees State Insurance (ESI). None of the workers were aware of their rights to an annual bonus or

gratuity upon completion of minimum 5 years continuous service in on quarry. As stated by a group of quarry workers in Dabi, "We are given good bonus during Diwali by the owner. We get money for a feast in the quarry and new clothes", reflecting their lack of awareness on their basic legal rights.

Workers are not provided with any pay slips along with their wages which

Additional deductions - not known to...

PF, ESI
Repayment of loan
Medical facilities availed due to injury...

Absence from work

28%

33%

33%

Figure 3: Percentage of workers aware of deductions against wages

12 | ASSOCIATION FOR STIMULATING KNOW-HOW

would help understand the nature of deductions made in a given month. However, discussions with workers brought forth the following common points of deductions at the quarry level as and when applicable to the respective workers.

Following table presents the key gaps and the relevant legal references against which they have been assessed:

| Legal References  |  |
|---|--|
| <ul> <li>The Minimum wages Act, 1947</li> <li>The Workmen Compensation Act, 1923</li> <li>Employees' Provident Funds and Miscellaneous Provisions Act, 1952</li> <li>Employees State Insurance Act, 1948</li> <li>The Payment of Bonus Act, 1965</li> <li>The Payment of Wages Act, 1936</li> <li>The Payment of Gratuity Act, 1972</li> <li>The Mines Act, 1952</li> </ul> |  |
|   |  |

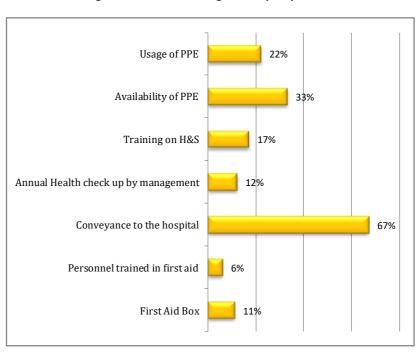
#### Occupational Health and Safety

Occupational health and safety of

quarry workers is a point of concern as they are susceptible to certain occupational health impact owing to the nature of work they do. However, engagement with these stakeholders and the workers reflected that most of the efforts by the government and industry associations have been directed towards screening of silicosis whereas certain other issues pertaining to use of proper PPEs, medical facilities at the quarry level and injuries and accidents have not gained the required attention.

Representative of the Mine Owners' Association, Bundi and supervisors in quarries stated that first aid boxes and trained personnel are available on-site to assist with minor injuries. "This is a basic practice that is followed in the quarries in the region and workers can avail it irrespective

Figure 4: Facilities ensuring H&S of quarry workers



of their nature of employment, type of job, etc. Even annual health check-ups are organised at quarry level for all categories of workers", (Representative, Mine Owners' Association). However, the awareness level of workers about these facilities in their quarries was found to be low. Only 11% of the workers were aware of first aid medicines/box being available in their respective quarries and 6% were aware of their quarries having trained personnel to provide first aid treatment. Only 12% of the workers have undergone annual health check-ups organised by their respective quarry management.

67% of the workers stated that there are bikes available in their quarries which are used by the supervisors or contractors to transport workers to hospitals in case on on-site injuries, whereas in case of major injuries ambulance (hospital owned) facilities are availed.

Trainings on health and safety is a weak area and has been provided to only 17% of the workers interviewed during the study. The practice of providing proper trainings is not integrated into the quarry management system. The supervisors interviewed in the quarries were not aware of any health and safety policies that were applicable on the quarry. They stated that trainings are provided from time to time by them by assembling workers present on the given day. Owing to absenteeism in the quarries, the workers often miss attending these trainings and refreshers are not made available due to the lack of a proper system or tracking mechanism.

The distribution of PPE and its usage at the quarries was found to be irregular. PPEs were available with only 33% of the workers out of which 22% were using it effectively. Remaining 67% of the workers did not have access to PPEs. This was further verified during the on-site observations in the quarries, wherein it was noted that workers were using PPEs like helmet, ear plugs and boots in 1 out of 6 quarries visited during the study.

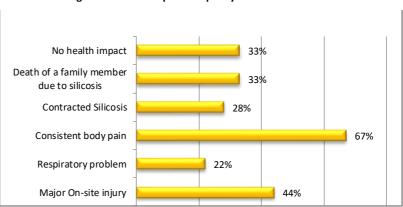


Figure 5: Health Impact on quarry workers

# 67% of the workers have faced any one type of health concern during their tenure in the sandstone sector.

- ❖ 28% of the workers interviewed were suffering from silicosis but they continue to work in quarries without masks. These workers have received a compensation of 1,00,000 INR (1250 Euros) for their treatment and their families would be receiving another 4,00,000 INR (5000 Euros), upon their death from silicosis. This compensation is provided by the state government under the Bhamashah scheme<sup>6</sup>. As stated by the a senior resident doctor in new Medical College, Kota "The average footfall of patients suffering from acute condition of silicosis is up to 10 in a month, reflecting on the prevalence of the disease in the region." The life expectancy of a worker suffering from silicosis would be 7 to 10 years post treatment. The last phase of the treatment is lung transplant which costs up to 70,00,000 INR (87,500 Euros) with very low rates of success, neither is it affordable for this category of patients suffering from silicosis due to working in quarries. The workers engaged in drilling of sandstone are most vulnerable to contracting respiratory issues and silicosis.
- ❖ As stated in Fig. 3, 22% of the workers have been facing **respiratory issues** for a period of minimum 7 to 8 months, but have not undergone any screening/check up in the Kota government hospital. Neither have they attended any health camps during their tenure in the sandstone sector.
- ❖ Majority of the workers (67%) complained of **excessive body pain** due to which they are often absent from work for 2 to 3 days in a week thereby impacting their income level.
- ❖ 44% of the workers have faced **major on-site injuries** like the following:

Table 5: Types of major injuries

| Major injuries                                       | Operations engaged in          | Compensation/wages provided for absence from work |
|--|--------------------------------|---|
| Crushing of toe due to slab falling on the foot      | Unloading of slabs from trucks | None  |
| Stone hitting the iris, causing blindness in one eye | Cobble making                  | None  |
| Breaking of arm                                      | Unloading of slabs from trucks | None  |

 $<sup>^{6}\,\</sup>underline{\text{https://bhamashah.rajasthan.gov.in/content/raj/bhamashah/en/home.html\#}}$ 

| Snake bite while working in the                            | Collection of waste stones | None   |
|--|----------------------------|--|
| quarry   |                            |  |
| Breaking of leg due to falling from a height at the quarry | Helper to crane operator   | Paid wages for 1 month of medical leave, but the full recovery took 2.5 months, post which the worker rejoined |
| Head injury due to falling on blocks                       | Drilling                   | Paid wages for the full recovery period of 2 months  |

As stated in table above, not all workers receive compensations from the quarry management or the contractors. The vulnerability of the workers depends on their nature of employment at the quarry level. The ones working in a quarry for a continued period of time either engaged by contractor of the management directly, as compared to the floating workforce engaged in cobble making, loading and unloading as well as collection of waste stones. They are deputed to different worksites by their contractors depending on availability of work. The ownership to ensure the safety of these workers are not taken by the contractors or the quarry management.

The Mines Act, 1952 has mandated certain provisions to be made for quarry workers, depending on the workforce strength. The majority of the sample quarries covered during the study had workforce strength of up to 50 workers at a given time with two exceeding to almost 200 workers. The legally mandated facilities for a workforce are being mapped in the table below alongside the current status of such provisions in the quarries in Dabi.

Table 6: Facilities for quarry workers

| S.<br>no. | Facility   | Legal requirement as per workforce strength | Current availability in sample quarries |
|-----------|--|---|---|
| 1         | First Aid station  | Any number of workers                       | No separate First Aid station           |
| 2         | Trained person to provide first aid                          | Any number of workers                       | Not available                           |
| 3         | First Aid Room   | 150 and above workers                       | Not available                           |
| 4         | Annual health check-up organised by the management           | Any number of workers                       | Not available                           |
| 5         | Shelter  | Any number of workers                       | Not available                           |
| 6         | Drinking water   | Any number of workers                       | Available                               |
| 7         | Latrine and urinal   | Any number of workers                       | Not available                           |
| 8         | Shower and bathing area (separate for men and women workers) | Any number of workers                       | Not available                           |
| 9         | Locker room (separate for men and women workers)             | Any number of workers                       | Not available                           |
| 10        | Child care room  | Any number of female workers                | Not available                           |
| 11        | Canteen  | 250 and above workers                       | Not available                           |
| 12        | Welfare officer  | 500 and above workers                       | Not available                           |

Following are some key initiatives being undertaken by the state department, DGMS, trade unions and the industrial associations to ensure the health and safety of the workers.

Table 7: Initiatives taken to ensure H&S of quarry workers

#### **Government led initiatives:**

- 1. Health camps are organised near mining areas
- 2. New District Tuberculosis Office (DTO) has been set up

- 3. Free screening: X-Ray done in medical college and the DTO
- 4. Free medicines are provided against the Bhamashah Card
- 5. Development of IEC materials on H&S of quarry workers
- 6. Monitoring of H&S conditions of quarry workers

#### Industry led initiatives: Mine Owners' Association, Bundi

- 1. Health camps organised on an annual basis
- 2. Compensation provided in case of permanent disability or death of workers
- 3. Monitoring of H&S conditions of quarry workers

#### **Trade Union:**

- 1. Screening of workers for identifying symptoms of silicosis
- 2. Help workers get access to compensation against injuries from the quarry management

#### Procedural gaps:

- 1. No health and safety policy
- 2. No process of undertaking risk assessment of various operations to devise protective mechanisms for the workers
- 3. Lack of systematic induction on health and safety aspects for new workers in a quarry
- 4. No process of providing formal trainings to the workers

#### **Current legal gaps Legal References** The Mines Act 1952: Medical Examination 1. No medical examinations organised for workers Of Persons Employed Or To Be Employed 2. Lack of payment of compensation In Mines: The owner, agent or manager of against costs borne towards treatment of every mine shall make arrangements for worksite injuries the initial medical examination of every 3. Safety committees have not been person employed in the mine constituted 2. Workmen's Compensation Act, 1923: 4. The legally required facilities are not being Compensation for industrial disease: If, a made available to the workers person is found to have contracted any 5. Irregular or no distribution of PPEs disease specified in Part C of Schedule III 6. No provisions made for female workers to the Workmen's Compensation Act, employed in the quarries 1923 (8 of 1923), the provision of section 3 of the Act shall become applicable in respect of that person. 3. The Mines Act 1952: Safety committee: For every mine wherein more than 100 persons are ordinarily employed, the owner, agent or manager shall constitute a safety committee for promoting safety in the mine. 4. The Mines Act 1952: All workers are entitled to the facilities like proper PPEs, drinking water, toilet, showering areas, resting areas, access to first aid stations,

annual medical examinations and crèche

facility for their children.

#### **Harassment and Abuse**

Harassment and abuse are being classified into acts that are physical vis-à-vis verbal, for the purpose of this study. It was noted, that verbal abuse is normalised by workers, whereas physical abuse is not. Workers stated that supervisors and contractors often use derogatory words or shouts at them for not meeting the quality standards or if there is any delay in completion of work. 11% of the workers (male) stated that they have been physically abused by their contractors while working in the quarries.

These workers having migrated from Madhya Pradesh to Dabi, were hired for cobble making and collecting waste stones, at the time of this incident. The workers were engaged by contractors and the management refused to interfere in their 'internal matters'. However, they left working with the particular contractors after a short while post the incident. This led to loss of employment for a period of two to three weeks. However, due to lack of proper systems and policies to guide them, the contractors manage the workforce at their own discretion.

#### The key procedural gaps at the quarry level are the following:

- 1. Lack of quarry level policies and procedures on managing instances of harassment and abuse
- 2. Lack of a system to orient contractors, supervisors and workers on the issue
- 3. No strict disciplinary measures taken on individuals abusing workers
- 4. Involvement of management to ensure the wellbeing of contractual workers is minimal, responsibilities of a principal employer not being fulfilled

#### Grievance redressal mechanism

The grievance redressal mechanism aims at mapping and documenting workers' grievances, preferably through more than a single channel and addressing them on a real time basis. The workers engaged with did not have any awareness of a grievance redressal policy, system or channels of registering their grievances except directly with supervisors and contractors. This is often not effective since their grievances are not resolved and kept pending.

The major grievances as stated by the workers are the following:

- 1. Lack of employment security
- 2. Seasonal nature of work in the quarries
- 3. Lack of entitlements like PF and ESI or any other insurance
- 4. Reluctance of the management to pay for medical expenses towards on-site injuries and accidents
- 5. Delay in payment of wages by contractors
- 6. Behaviour of contractors
- 7. Non-provision of housing allowance by contractors

A major challenge faced by migrant workers is the lack of systems for principal employers to monitor their working and living conditions as they are assumed to be the "responsibility of the contractor", as stated by supervisors engaged with during the study. The workers in this scenario are completely dependent on their leverage with the contractor. This level of comfort and reliance on the contractor to resolve their issues was found to be weak amongst the workers who are migrating to work in Dabi only recently (less than a year) as compared to others.

Absence of grievance redressal committees was found to be a sector wide trend in Dabi region. None of the workers interviewed had awareness on such committees which was further verified by quarry supervisors and in-charges.

#### Procedural gaps:

- 1. Lack of policy and SOP on grievance redressal
- 2. Lack of a structured grievance redressal system
- 3. No record of grievances or their resolutions in a time bound manner

| Current legal gaps:           | Legal References                              |
|-------------------------------|---|
| Absence of grievance redresso | Section 3 of the Industrial Dispute Act, 1947 |
| committee                     |   |

# Working Conditions in Sandstone Stockyards

Sandstone stockyards are establishments where the blocks or slabs are brought to be further cut and split into the required dimensions. The stockyards in Dabi region also manufacture cobble stones from waste materials collected from quarries. According to field officials of the department of Mines and Geology in Kota, these establishments have been growing in numbers over the past 5 to 7 years as the compliance requirements are not clearly defined and the investment for setting these work-sites is low to begin with. These are businesses that are operating with trade licenses and Goods and Services Tax (GST) registration. Also, further stated by the officials, these units are currently not governed by legal instruments like the Mines Act, Shops and Establishment Act or the Factories act. As a result there is no accountability on any particular government department to monitor the operations or ensure labour compliance standards are being met with.

The stockyards produce both for domestic as well as the export market. Out of 9 stockyards visited, it was observed that these production sites supply finished (cobbles) and unfinished (slabs) products to either processing units for further processing or to exporters. The stockyards do not have direct interface with the international buyer communities.

The working conditions in these stockyards have been detailed out in the following sections:

#### Recruitment of workers:

Recruitment of workers is undertaken by owners directly since in majority of the sample covered reflected that there are no contractors. The owners manage along with a supervisor or *munshi*. The workers are not provided with any documentation as proof of employment. Following are the gaps in the recruitment process:

- 1. Non-issuance of appointment letters or job ID cards by the contractor or principal employer, which is a prominent trend, observed in the sector.
- 2. No proper induction given to workers at the time of joining as stated by 94% of the workers, except on wages and the kind of work to be done by the workers in the quarry.
- 3. Non-issuance of passbook (to migrants) by principal employer and contractor
- 4. Lack of maintenance workers' records by principal employer
- 5. The contractors are not legally registered with the Department of Labour and Employment

#### Hours of Work and Provision of Leaves

The production work goes on round the year in stockyards as they store material for the domestic and export market. The stock operations are not affected by the rainy seasons. Working hours start at 8.30 A.M. to 9 A.M. and go on till 5.30 P.M. in winters and till up to 7.30 P.M. On an average workers work for 9 to 10 hours shifts on a daily basis. The workers stated they have more flexibility of working in the stockyards as the work happens mostly on piece rated basis.

Overtime work is optional for the workers. However because of a piece rate system these workers prefer doing overtime hours owing to the additional amount of wages they earn due to higher production.

Following are the key gaps in the workforce management system in the stockyards:

- 1. The workers' attendance is not recorded.
- 2. The time record of the workers is not maintained.
- 3. There are no provisions of annual leave with wages
- 4. There is no provision of a paid weekly rest day
- 5. There is no provisions for compensatory off for working on Sundays or other holidays

#### **Wages and Benefits**

In stockyards workers were found to be working on piece rate basis for both cobble making and slab slitting. While the average rate of payment for cobble pieces are similar to the payment structure in quarries, workers splitting slabs earn 3 INR per square feet as against 5 INR per square feet in quarries. This is because of the size of the blocks in quarries for which the workers are paid more.

However, the modality of the operations changes across different stockyards for production of cobble stones. Following are the existing scenarios:

**Scenario 1:** The workers take an advance from the owner and get the waste materials from mines to produce cobble stones. Upon completion of the process, they sell it to the owner and the payment is made to the workers after deducting the advance amount. The payment is made against the number of pieces sold at a rate of 3 to 4 INR per piece.

**Scenario 2:** The workers produce cobble stones on piece rate basis at rates that range between 0.50 INR to 2 INR per piece depending on the size.

Workers are paid at the following rates across different operations in stockyards depending on the type of work they do – either cobble making or slab splitting:

Table 8: Wage structure in sandstone stockyards in Dabi

| Categories of workmen                                      | Skill<br>category | Piece<br>rated:<br>Amount (in<br>INR/ Euro) | Daily rated:<br>Per day<br>wage rate<br>(in<br>INR/Euro) | Monthly rated:<br>(in INR/Euro) | Average monthly earning in INR/Euro (for 26 days of work)  |
|--|-------------------|---|--|---------------------------------|--|
| Slab splitting   | Skilled           | 3 INR / 0.04<br>Euros per<br>square<br>feet |  |                                 | 7,500 INR to 9000 INR<br>/ 94 Euros to 113 Euros   |
| Tractor unloading –<br>waste materials for<br>cobble stone | Unskilled         | 100 INR /<br>1.25 Euros<br>per tonne        |  |                                 | 3000 – 4000 INR<br>(work is available for<br>20 days – average<br>estimates provided<br>by stock owners) |
| Cobble making  | Skilled           | 0.50 - 2<br>INR / 0.1 -<br>0.03 Euros       |  |                                 | 8000 INR / 100 Euros   |
| Sorting of cobbles into specific sizes                     | Unskilled         |   | 200 INR /<br>2.5 Euros                                   |                                 | 5000 INR / 63 Euros  |

| Packaging of crates <sup>7</sup> (cobble stone)                                    | Unskilled | 80 – 100<br>INR / 1 –<br>1.25 Euros<br>per crate | - |                             | 8000 INR / 100 Euros<br>(work is available for<br>20 days – average<br>estimates provided<br>by stock owners) |
|--|-----------|--|---|-----------------------------|---|
| Crane Operator for loading of crates and unloading of slabs arriving from quarries | Skilled   | -  | - | Up to 10,000 /<br>125 Euros |   |
| Helper to Crane<br>Operator  | Unskilled | -  | - | 8000 INR / 100<br>Euros     |   |

As stated both by owners and workers, these establishments do not operate on the basis of any standardised government regulations that would require them to register the workers for Provident Fund and ESI. As a result, the workers do not get access to both, as well as Annual Bonus and Gratuity. One of the stock owners stated that the stockyard workers can be registered under Building and Other Construction Works (BOCW) Act, 1996 which extends health insurance, accidental insurance, death insurance, scholarships for their children and several other benefits to these workers. However, there is no awareness on this benefit amongst the sample of stockyard workers covered through the study. The following table provides the current status of wages vis-à-vis the state declared minimum wages:

The state specified minimum wages are as follows:

Unskilled workers: 5850 INR/ 73Euros

Semi-skilled workers: 6162 INR / 77 Euros

Skilled workers: 6474 INR / 81 Euros

Highly skilled workers: 7774 INR / 81 Euros

Deductions are made from wages mostly for the purposes of loan repayment. 86% of the sample workers have taken loans from the stockyard owners for medical treatments, social events at the household level like weddings and funerals. All the workers engaged with during the study stated that they do not get any support from the owners towards medical treatment for on-site injuries in stockyards. They are given loans for such emergencies by the owners.

Following are the key challenges faced by these workers:

| Current legal gaps   | Legal References  |
|--|---|
| <ul> <li>Delay in payment of wages</li> <li>Non payment of legal minimum wages</li> <li>Non payment of benefits like PF, ESI, Annual bonus and gratuity</li> <li>No registration under the BOCW Act</li> <li>No provision of payslips</li> </ul> | <ol> <li>The Minimum wages Act, 1947</li> <li>The Workmen Compensation Act, 1923</li> <li>Employees' Provident Funds and Miscellaneous Provisions Act, 1952</li> <li>Employees State Insurance Act, 1948</li> <li>The Payment of Bonus Act, 1965</li> <li>The Payment of Wages Act, 1936</li> <li>The Payment of Gratuity Act, 1972</li> <li>The Mines Act, 1952</li> <li>The BOCW Act, 1996</li> </ol> |

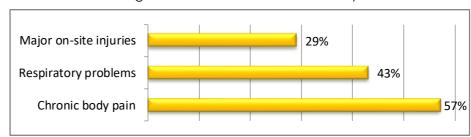
#### Occupational Health and Safety

<sup>7</sup> This operation is completed in 2 hours/day by the workers

Standards of occupational health and safety of stockyard workers is a grey area for stockyard owners as stated by the study respondents. This is because there is no legislation for clearer direction of their responsibilities.

The industry trends across stockyards in Dabi region are the following:

- 1. Lack of health and safety policy or SOP
- 2. No assessments done to understand the existing risks in terms of health and safety
- 3. No compensation provided towards absence from work due to on-site injuries incurred by workers
- 4. No payment made by majority of the owners towards the medical treatment of workers due on-site injuries



- 5. No provisions of PPEs to workers: There is a current gap in provision of the suitable type of PPEs because the slab splitting work and cobble stone making is considered by owners to be free of health hazards

  Figure 6: Health impact on stockyard workers
- 6. The stockyards lack basic facilities like first aid box, trained personnel on providing first aid to workers, health check ups, toilet, crèche (where women workers are present) or any resting space for workers. The only facility provided is that of drinking water.

Following are the health impacts of the work done in stockyards, as stated by workers interviewed during the study:

- 57% of the workers experience chronic body pain and they have not received any suitable medication or treatment to cope with it in the government hospitals in Kota or private doctors in Dabi.
- 43% of the workers face respiratory problems but none of them have undergone a screening for silicosis or Tuberculosis – two common causes of this problem as stated by government hospital doctors in Kota
- 29% of the workers have suffered from major on-site injuries due to slabs falling on their toe. None of these workers have received any financial support from the management towards their treatment or wage loss due to the long recovery time of up to 1.5 months as documented amongst the current sample of workers.

#### Harassment and Abuse

The stockyards do not have any formal systems of workforce management, which indicates that there are no policies or SOPs to defining the parameters of harassment and abuse. 57% of the workers stated that they have observed other workers being verbally abused by the owners and in some cases the supervisors. However, they have not experienced the same themselves. The abuses being inflicted by the owners themselves and supervisors who are close the owners, leaves no other channel for the workers to raise their concerns on instances of such verbal abuses at workplace. Additionally several of these workers are migrants from other parts of Rajasthan who feel that they do not have a financial support system in Dabi if they are removed from their jobs. They cannot afford to incur a wage loss even if it is for a few weeks till they get another job. Interestingly, the workers also fear that they may not get jobs in other stockyards if the word travels that they have 'protested against the owners'. This leaves the workers in a vulnerable position with lack of union support and no formal monitoring of the units.

The key procedural gaps at the stockyard level are the following:

- 1. Lack of stockyard level policies and procedures on managing instances of harassment and abuse
- 2. Lack of a system to guide the owners as well as orient supervisors and workers on the issue
- 3. No strict disciplinary measures taken on individuals abusing workers

#### Grievance redressal mechanism

The grievance redressal mechanism is not formalised at the stockyards. The workers raise their grievances to the owners directly which mostly due to delay in payment of wages to up to 20 to 30 days some times, especially in the lean period. Other than this, the workers expressed grievances about their lack of access to PF, ESI, gratuity, annual bonus, toilets, rest areas and compensation towards treatment for onsite injuries. However, the workers feel that there would not be any change at the stockyard level even if they raise their issues to the owners as this is the general trend in the area. Hence none of the workers have discussed these challenges with their employers.

Fear of removal from job is a major fear amongst the workforce. The workers prefer working in stockyards as compared to quarries because the slab slitting and cobble making are comparatively tasks as compared to those performed in quarries like blasting, block cutting and extraction, drilling, etc. The stocks are also functional throughout the year unlike quarries which prevents wage loss during rainy season as is seen amongst quarry workers. These are the key reasons due to which the workers want to secure their jobs in the stockyards and do not raise any concerns or challenges with the owners as long as they receive their wages on time.

#### Procedural gaps:

- 1. Lack of policy and SOP on grievance redressal
- 2. Lack of a structured grievance redressal system
- 3. No record of grievances or their resolutions in a time bound manner
- 4. No platforms of worker representation in the stockyards which would enable them to raise their concerns

#### Observation of good practices

One of the stockyards visited during the study have made significant changes in their workforce management systems due to strict compliance requirements of the buyer towards tier 2 suppliers (stocks in this case, tier 1 being the processing units). The tier 1 supplier has provided on-going handholding support to the stockyard owner and supervisors to streamline some of these systems and helped establish infrastructural facilities like crèche, books and copies for children and toilets for the workers. On-going monitoring of workers' records are done by the supplier to ensure that the same is being maintained in a systematic manner

- ✓ Documentation being maintained for all workers to prevent risks of child labour
- √ Register maintained to record the attendance of all workers on a daily basis
- ✓ Drinking water facilities being provided to workers
- ✓ Crèche facility has been established in the work-site. A local NGO called Manjari provided a teacher for the children of the workers who attend the crèche during working hours. This has now been adopted as the system by the management.

# **Working Conditions in Sandstone Processing units**

Sandstone processing units are located in Kota where the slabs and blocks are brought from quarries and stockyards for further processing based on the demands of the buyer. The processing units covered during this study were all supplying to export market in US, Europe and UK. The 2 out of 8 processing units export sandstone slabs and cobbles directly to the companies whereas the others trade through export companies. Processing unit owners operating through export companies stated that direct business with the companies in US, UK and Europe bring forth the following challenges due to which they prefer their current mode of functioning:

- 1. A full time business development person would be required to screen the market, connect with potential buyers and get business
- 2. Lack of management structure and personnel as is present in bigger enterprises that deal directly with the importing companies
- 3. They feel that a whole range of compliance standards would have to be met with, which would impact the profit margin. The processing unit owners interviewed during the study stated that the buyers do not pay any costs to the industry to manage compliance requirements, neither is there a system of paying a premium amount to the ones ensuring the same. Moreover, the market is too competitive for them to be able to increase the prices to accommodate this cost of compliance. As a result they feel this mode of operating through export companies is financially more viable for them.
- 4. Direct business with the companies would also require them to ensure the same compliance standards amongst tier 2 suppliers.
- 5. These units do not have the cash flow to provide credit to the companies which is usually the requirement in the market.
- 6. These units also do not have the capacity to absorb the delay in payment from the companies against the supplied orders

The 8 processing units visited during the study had a maximum workforce strength of up to 30 workers per unit at a time during peak production seasons between February to up to October. In most processing units the operations are managed by contractors directly. The management teams comprise of the owners, processing unit managers, and supervisors. In rare scenarios a separate Human Resource department is established to manage the workforce (observed in 1 out of 8 processing units).

#### Recruitment of workers:

The RIICO industrial area of Kota has several sandstone processing units where workers have migrated from other parts of Rajasthan, commuting on a daily basis from Bundi and Bijolia, other states like Madhya Pradesh, Uttar Pradesh, Orissa and Bihar. The recruitment of workers was seen largely to be done by contractors because of the operations are majorly managed by them at the processing unit level. The management does not monitor the process of recruitment undertaken by the contractors. Following are the major gaps in this process.

- 1. Non-issuance of appointment letters or job ID cards by the contractor or principal employer in the processing units.
- 2. No proper induction given to workers at the time of joining as stated by 100% of the workers, except on wages and the kind of work to be done by the workers in the quarry.
- 3. Non-issuance of passbook (to migrants) by principal employer and contractor
- 4. Lack of maintenance workers' records by principal employer
- 5. The contractors are not legally registered with the Department of Labour and Employment

#### Hours of Work and Provision of Leaves

The processing units are operational from 9 A.M. to 7 P.M. with an hour's lunch break. The workers stated that they work for an average of 10 to 11 hours per day which increases to up to 14 hours when the production is at its peak in the months of April to June.

One of the processing units stated that they plan the production volumes of the months when the export market is slow in a way that they are able to cope with the pressure during the peak period. This processing unit is supplying largely to the European market and has been certified by Ethical Trade Initiative and undergoes regular audit which is a compliance requirement of the companies they export sandstone slabs and cobbles to.

The workers covered during this study stated that overtime work is compulsory for them and refusal to do so may lead to loss of employment. The piece rated workers stated that while it is financially beneficial for them to work extra hours and increase the volumes of production, the compulsion to do so is not in their favour. Workers sited that overtime hours worked for more than 3 to 4 days continuously is a challenge for them due to the heavy nature of work.

The workers do not have access to annual leaves with wages or compensatory offs for working on holidays. There are no rest days, casual or sick leaves that are provided by the processing unit management representatives.

Following are the key gaps in the workforce management system in the processing units:

| Cur | rent gaps  | Legal references                |
|-----|--|---------------------------------|
| 1.  | The workers' attendance is not recorded.           | Rajasthan Factories rules, 1951 |
| 2.  | The time record of the workers is not maintained.  |                                 |
| 3.  | There are no provisions of annual leave with wages |                                 |
| 4.  | There is no provision of a paid weekly rest day    |                                 |
| 5.  | There is no provisions for compensatory off for    |                                 |
|     | working on Sundays or other holidays               |                                 |
| 6.  | Overtime is made compulsory for the workers        |                                 |
| 7.  | Excessive overtime                                 |                                 |
|     |  |                                 |

#### **Wages and Benefits**

The processing unit workforce is classified into monthly rated, daily rated and piece rated workers. Monthly rated workers and daily rated are get fixed salaries irrespective of the hours of work or volume of work done by them. Piece rate workers are paid according to the amount of work they are able to complete measured in square feet (sq ft) for production workers and in terms of boxed for ones engaged in packaging.

The wages in a processing unit setting vary across different tasks. The following table provides a range of the wage structures offered by processing units in Kota.

Table 9: Wage structure of key operations in sandstone processing units in Kota

| Categories of workmen           | Skill<br>category | Piece rated:<br>Amount (in<br>INR/ Euro) | Daily rated:<br>Per day<br>wage rate<br>(in<br>INR/Euro) | Monthly rated:<br>(in INR/Euro) | Average monthly earning in INR/Euro (for 26 days of work)  |
|---------------------------------|-------------------|--|--|---------------------------------|--|
| Cutting of blocks with machines | Skilled           | 1.25 INR / 0.02<br>Euros per sq.<br>feet |  | 15000 INR / 188<br>Euros        | 12,000 INR / 150 Euros<br>(for piece rated<br>workers)   |
| Polishing of slabs              | Skilled           | 4 INR / 0.05<br>Euros per sq.<br>feet    |  |                                 | 14,000 INR / 175 Euros<br>(for piece rated<br>workers)   |
| Packaging                       | Unskilled         | 16 INR / box                             |  |                                 | 10500 INR (The workers package to up to 30 boxes in a day and get work for up to 22 days in a month. The average monthly earning has been calculated on this estimation) |
| Crane drivers                   | Skilled           |  |  | 15000 INR / 188<br>Euros        |  |
| Helpers to crane drivers        | Unskilled         |  |  | 8000 INR / 100<br>Euros         |  |

The following table provides the current status of wages vis-à-vis the state declared minimum wages:

The state specified minimum wages are as follows:

- Unskilled workers: 5850 INR/73Euros
- Semi-skilled workers: 6162 INR / 77 Euros
- Skilled workers: 6474 INR / 81 Euros
- Highly skilled workers: 7774 INR / 81 Euros

Processing unit workers in sandstone sector of Kota have access to minimum wages across all skill categories. However, largely the industry trend is that PF, ESI, gratuity and annual bonus are not made available to workers. Only 25% of the workers engaged with, were being given PF and ESI benefits and none of the sample workers or processing units covered during the study were providing annual bonus of gratuity to workers.

The common deductions that are made from wages of workers are towards repayment of loans, and absence from work. Loans are taken by workers for emergencies at the household level, for family level social events. The loans taken from the management or contractor are interest free and only the principal amount needs to be repaid.

Unlike quarries and stockyards, all workers stated that in the processing unit setting, the management pays towards medical treatment of workers in case of on-site injuries. Hence workers do not go in debt for this purpose.

Following are the key challenges faced by the processing unit workers:

| Current legal gaps  | Legal References  |
|---|---|
| Non payment of benefits like PF, ESI, Annual<br>bonus and gratuity<br>No provision of pay slips | <ol> <li>Employees' Provident Funds and Miscellaneous<br/>Provisions Act, 1952</li> <li>Employees State Insurance Act, 1948</li> <li>The Payment of Bonus Act, 1965</li> <li>The Payment of Gratuity Act, 1972</li> <li>The Payment of Wages Act, 1936</li> </ol> |

#### Occupational Health and Safety

The workers in processing units do not face any major health concerns that can be attributed to the nature of work they do. Accidents at work-site are also less as compared to quarries which is more hazardous by nature. As stated in the earlier section, management takes the financial responsibility of treating the workers for on-site injuries.

The major concern is in terms of availability and use of PPEs. 75% of the workers stated that they do not receive any PPEs in the processing units where they are employed, neither have they undergone any trainings pertaining to health and safety. The general awareness amongst the workers was also found to be low as they feel that the work they undertake in processing units do not require usage of PPEs.

7 out of 8 processing units visited during the study did not have the basic fire safety requirements in place like proper exit paths and fire extinguishers.

#### The general industry trends across processing units in Kota are the following:

- 1. Lack of health and safety policy or SOP
- 2. No assessments done to understand the existing risks in terms of health and safety
- 3. No provisions of PPEs to workers: There is a current gap in provision of the suitable type of PPEs because the slab splitting work and cobble stone making is considered by owners to be free of health hazards
- 4. Fire safety standards are low
- 5. No health and safety training provided to workers
- 6. No trainings on fire safety provided to workers
- 7. The processing units lack basic facilities like annual health check ups, toilets or any resting space for workers. The only facility provided is that of drinking water.

| Current legal gaps   | Legal References                |
|--|---------------------------------|
| <ol> <li>No provisions of PPEs to workers</li> <li>Fire safety standards are not maintained</li> <li>No toilet facility</li> </ol> | Rajasthan Factories rules, 1951 |

#### **Harassment and Abuse**

The processing unit workers stated that instances of harassment and abuse by contractors or management representatives is not common in the industrial area of Kota. None of the workers interviewed have faced or observed such instances in their own processing units.

#### Grievance redressal mechanism

The grievance redressal mechanism is not formalised in the processing unit setting. There are no formal policies or SOPs in the processing units to determine the process of grievance recording and timely redressal. The processing units do not have grievance redressal committees or works committees as is legally mandated for all establishments. The workers directly reach out to the contractors in case of any concerns. The ones employed directly by the management, approach the supervisors. The grievances that are reported by workers are mainly pertaining to the functionality issues with the machines they are operating. The workers stated that they do not face any other challenges at the processing unit level.

#### Procedural gaps:

- 1. Lack of policy and SOP on grievance redressal
- 2. Lack of a structured grievance redressal system
- 3. No record of grievances or their resolutions in a time bound manner
- 4. No platforms of worker representation in the stockyards which would enable them to raise their concerns

5.

| Current legal gaps:  | Legal References                 |
|--|----------------------------------|
| Absence of grievance redressal committee or works committees | The Industrial Dispute Act, 1947 |

#### Prevalence of child labour and young workers in sandstone sector

#### At Quarry Level:

Child labour (up to the age of 14 years) is present in the sandstone quarries in the process of collecting waste stones. This was prevalent mostly in case of migrant families from Madhya Pradesh and other districts of Rajasthan. Under the Right to Education Act, 2009, all children have the right to access free education up to the age of 14 years. However, families are not willing to enrol their children in schools as they do not stay in any one location for the entire year. They remain in Dabi for a period of 5 to 6 months at a stretch. They keep travelling back to their source areas from time to time for employment opportunities especially during the months when the quarries are closed.

The common trends in the profile of a child worker observed in quarries in Dabi are the following:

Age group 12 to 14 years Gender Both boys and girls **Employment status** Contractual Nature of work in quarries Collecting waste stones and loading them in trucks Status of school enrolment Not enrolled Compensation against Not provided by the management or contractors injuries Accompanied by Mothers or older siblings to the quarries Wages Same as adult workers performing the similar work approximately 150 INR (2 Euros) per day. **Access to PPE** No Tenure of engagement with 2 – 3 days at a stretch; part of the floating workforce a particular quarry

Table 10: Profile of a child worker

**The Mines (Amendment) Act, 1983**, legally prohibits employment of any person below 18 years of age in mines, while **Child Labour (Prohibition and Regulation) Amendment Act, 2016**, does not allow children up to the age of 14 years to work in mines, stone breaking and stone crushing. With this variation in the legislations, the stricter regulation provided by the Mines (Amendment) Act, 1983 is levied on the industry. Hence, apart from child workers, even young workers are not allowed to work in mines due to its hazardous nature of work.

While in case of child workers, they mostly belong to migrant families, young workers belong to both local and migrant households. Male young workers are engaged in slab splitting and cobble making at the quarry level, while girls are engaged in collecting waste stones and loading them in trucks. The young workers are not always accompanied by their family members – they work in quarries along with other workers from their neighbourhoods. All young workers met with during the study were contract workers.

#### Procedural gaps leading to recruitment of child labour and young workers in quarries:

- 1. Management representatives like the quarry in-charge or the supervisors don't oversee the process of recruitment undertaken by contractors
- 2. No formal MoU between the management and the contractor on prevention of recruiting child labour
- 3. No action taken against contractor if they are found to employ child labour in the quarry processes
  - No verification of identity documents like AADHAR card to assess the age of the workers being newly recruited

| Current gaps |  | Legal References |   |  |
|--------------|--|------------------|---|--|
| 1.           | Presence of child labour in the quarries   | 1.               | The Mines (Amendment) Act, 1983           |  |
| 2.           | Presence of young workers in the quarries  | 2.               | Child Labour (Prohibition and Regulation) |  |
| 3.           | No monitoring of contractor, being done by |                  | Amendment Act, 2016                       |  |
|              | the quarry management                      | 3.               | The Contract Labour (Regulation and       |  |
|              |  |                  | Abolition) (Amendment) Act, 1986          |  |

#### In Stockyards:

Male workers join the stockyards in Dabi region from the age of 16 to 17 years who majorly belong to the Dabi region. The workers do not need to submit their age verification documents like AADHAR Card to the management and 3 out of 7 owners stated that this is a common industry trend. The young male workers start early to learn the craft of cobble making and slab splitting as their families have been working in the same sector for several decades and they would eventually pursue the same profession due to lack of other employment opportunities in the region. Young female workers do not generally work in stockyards in Dabi region.

#### Procedural gaps leading to recruitment of young workers in quarries:

No verification of identity documents like AADHAR card to assess the age of the workers being newly recruited

| Current gaps                                | Legal References  |
|---|---|
| Presence of young workers in the stockyards | Child Labour (Prohibition and Regulation) Amendment Act, 2016 |

#### Prevalence of forced labour in sandstone sector

72% of these workers across quarries, stockyards and processing units have no access to formal sources of credit like banks, self help groups or micro finance agencies, as a result of which they are majorly dependent on the contractors who hire them or the quarry management. The main purposes for which they take loans from these entities are the following:

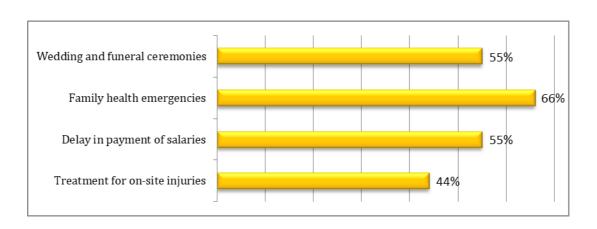


Figure 7: Purpose of loans

The workers employed in sandstone stone quarries in Dabi region, belong to households with average monthly income in the range of 10000 to 15000 INR (125 – 188 Euros) and 72% of these workers are completely dependent on their income from the quarries for sustenance as they do not have alternate means of livelihoods in the household. These are families from which all adult workers are engaged in the sandstone sector in quarries and stockyards.

27% of the workers interviewed are currently in debt amounting to up to 25000 INR which is close to five to six times their average monthly income from working in quarries, since these workers are in unskilled operations hence earning a lower wage.

Based on the study findings, following are the indicators of forced labour present in the sandstone sector

| Paramete           | rs          | Details  |
|--------------------|-------------|--|
| Abusive<br>working | conditions: | <ul> <li>Non payment of legal minimum wages</li> <li>Lack of toilets in quarry and processing units resulting in open defecation practices,</li> </ul> |
|                    |             | ❖ Inadequate PPE provision. In some cases, no PPEs are provided to   |

- workers in processing units and quarry thereby leading to high risk of on-job injuries, lacerations etc. For example, DGMS data indicated the death of two quarry workers in 2018 and 2019.
- ❖ Lack of periodic medical examination causing vulnerability occupational health hazards.
- Lack of paid monthly and annual leaves for both quarry and processing units workers.

# **Working Conditions in Black Granite Quarries**

#### Recruitment Process

Recruitment of migrant and local workers in black granite quarries is done through two key channels (i) direct recruitment by the management and (ii) recruitment by contractors. Contractors are known to the workers through familial or village network, whose role is to take a type of work on contract, mobilise the workforce, monitor them, sometimes work along with them and deliver the work to the management. These contractors are either employed as supervisors of workers where they are engaged in remotely managing the work (and not present on-site) or are engaged in skilled production processes such as: cutting and drilling.

The groups of migrant workers in quarries are a floating population. Each group of migrants works in these quarries at a stretch for 3 to 5 months after which they temporarily return to their source villages to work in their agricultural lands. Sometimes, first time migrants do not return after the first stretch due to the heavy nature of the work.

Study findings indicated as a sector wide scenario, presents the following **status of worker recruitment process** in all the three districts:

- 1. Appointment letter: not received by any worker.
- 2. Induction: Only given on the work and per day wages. No proper induction or training on health and safety, grievance redressal, sexual harassment and abuse.
- 3. Record of workers: 85% of quarry workers mentioned that they did not submit any form of identity documents such as Aadhar, pan card, birth certificate etc. to the principal employers and contractors, upon their recruitment. This was further verified through interviews with processing units workers. The absence of workers identity documents (Aadhar card/ PAN card/ birth certificate) escalates the risk of 'unintended' employment of children in the quarries and processing units. Similarly, without workers' address proof, there exists a possibility that employers fail to communicate about information related by accident/injury/death to immediate family members of workers.
- 4. For migrant workers, provision of passbook by the contractor remains absent in the quarries and processing units

#### Procedural gaps:

- 1. Non-issuance of appointment letters or job ID cards by the contractor or principal employer, which is a prominent trend, observed in the sector.
- 2. No proper induction given to workers at the time of joining as stated by 94% of the workers, except on wages and the kind of work to be done by the workers in the

| quarry.   |  |
|---|--|
| Current legal gaps  | Legal References   |
| Non-issuance of passbook<br>(to migrants) by principal<br>employer and contractor     Lack of maintenance | 1. Inter-State Migrant Workmen Act, 1979: "Principal employer to issue to every inter-State migrant workman, a pass book affixed with a passport size photograph of the workman with the date of   |
| workers' records by principal employer  3. The contractors are not legally registered with the            | recruitment, the date of employment; "wage period" total attendance/unit of work done (in respect of piece-rated migrant workman) total wages earned/deductions if any made/net amount paid  |
| Department of Labour and Employment 4. The Contractors are not legally registered to operate              | and signature of contractor or his duly authorised representative with date; and name and address of the next of kins of migrant workman"  2. Mines Act, 1952: "For every mine there shall be kept in  |
| 5. No MoU signed between the principal employer and the contractor  | the prescribed form and place a register of all persons employed in the mine showing in respect of each such person: the name of the employee with the name of his father or, of her husband or any other information necessary for identification; age, sex and nature of employment" |
|   | 3. Telangana Industrial Employment (Standing Orders) Rules, 1953: "Record of age (a) Every workman shall indicate his exact date of birth to the employer or the officer authorised by him in this behalf, at the time of entering service of the establishment"                       |

#### Hours of Work and Provision of Leaves

The quarries are functional from 8.30 - 9 A.M. to 5 - 6 P.M. in the evening comprising 9 hours of work with one hour of rest. The migrant workers often work longer hours as they are paid on piece rate basis and the contractors want to finish the work at the earliest.

The local quarry workers are paid on basis of daily wages and they work for 16-20 days in a month. The remaining time, they invest in agricultural activities. Most of the migrant quarry workers, on the other hand work for 30 days in a month especially during peak production. In some quarries, these workers are given half day rest on Sundays. Peak production months also require these migrant workers to perform overtime hours of work which they cannot refuse due to fear of loss of employment.

During the study, it was observed that migrant workers were working in the quarries for up to 36 hours at a stretch in districts of Mahabubabad and Warangal. This was because the local workers were not available for a stretch of 4-5 days for a festival named sankranti.

Table 11: Workers Speak

Workers in Warangal revealed that despite having claimed medical/sick leave, workers are asked to visit and sit at the quarries all day to mark their attendance and ensure that they receive the day's wages. Workers mentioned this is one of the practices of principal employers to ensure that the medical/sick leave is genuine and workers are not earning money as a daily wage labour from other sources as well, by availing medical leave.

Further, with regard to provision of paid leaves, 85% quarry workers mentioned that there is no provision of paid weekly holidays, paid annual leaves and compensatory holidays for working on festivals. In some quarries these benefits are provided to the local workers but not to migrant workers. Further, interviews with contractors indicated that any leave taken for personal purposes results in deduction of a day's wages, as also mentioned by majority (43%) of quarry workers. Only medical/sick leaves are classified as paid leaves in case of injuries and accidents while working in the black granite quarries.

This is a trend observed in the sector which is beyond the legal mandates of the legislations and does not work in favour of the workforce. However, local unions have not taken up these issues with the management.

| Current Gaps                | Legal References & ILO                         |
|-----------------------------|--|
| Excessive overtime which is | 1. Mines Act, 1952: No person employed in      |
| forced since workers cannot | a mine shall be required or allowed to work in |
| refuse to work              | the mine for more than 10 hours in any day     |
|                             | inclusive of overtime"                         |
|                             | 2. C029 - Forced Labour Convention, 1930       |
|                             | (ratified by India)                            |

#### **Wages and Benefits**

Nature of wage structure in the black granite quarries is classified as: monthly rated, daily rated and piece rated workers. Monthly rated workers are entitled to a fixed month's rate irrespective of their volume of production. On the other hand, wages of piece rate workers are calculated based on the amount of work they are able to complete as per required quality standards, measured in square feet (sq ft).

Frequency of payment for local workers is monthly basis, while 19% of the migrant workers stated that they receive their payments at the time of leaving from the quarry for their source areas. Workers do not receive any kind of pay slip from the employer upon wage payment.

In Warangal and Mahabubabad districts, supervisors of few mines stated that the management and contractors stop payment of the migrant workers if they want to leave for their homes in a situation where the next batch is not mobilised. The workers then have no choice but to continue working till the payment is cleared.

The distribution of wage structure<sup>8</sup> for workers in black granite quarries and processing units in details below:

Table 12: Wage structure in black granite quarries and processing units

| Categories of | Skill level | Piece  | Daily rated:  | Monthly rated: End of  |
|---------------|-------------|--------|---------------|------------------------|
| workmen       |             | rated: | Per day wage  | month payment (in INR/ |
|               |             | Amount | rate (in INR/ | Euros)                 |

<sup>8</sup> No uniform and standardized wage structure: varies across different quarries and processing units.

|   |           | per square<br>feet (in<br>INR/ Euros) | Euros)                  |                                      |
|---|-----------|---------------------------------------|-------------------------|--------------------------------------|
| Driver  | Skilled   | -                                     | -                       | 15000-20000 INR / 188 –<br>250 Euros |
| Drilling  | Skilled   | 27- 40 INR /<br>0.34 – 0.5<br>Euros   | 450-500 INR/ 6<br>Euros | 10000-15000 INR / 125 –<br>188 Euros |
| cutting & splitting   | Skilled   | 70 / 0.9<br>Euros                     | -                       | 8000- 10000 INR/ 100 -<br>125 Euros  |
| JCB Operator  | Skilled   | -                                     | -                       | 20000- 25000/ 250 - 313<br>Euros     |
| helper, cook  | Unskilled | -                                     | -                       | 8000- 10000 INR/ 100 -<br>125 Euros  |
| helper, cleaner, cutter<br>, waste stone<br>collection etc. | Unskilled | -                                     | 300 INR / 4<br>Euros    | 8000 INR / 100 Euros                 |
| loading/unloading of slabs                                  | Unskilled | -                                     | -                       | 12000- 17000 INR / 150<br>213 Euros  |

The state specified minimum wages are as follows:

• Unskilled workers: 9042 INR/ 113Euros

Semi-skilled workers: 10606 INR / 133 Euros

• Skilled workers: 12928 INR / 166 Euros

Highly skilled workers: 16033 INR / 200 Euros

The payment of legal minimum wages is not being made across all quarries.

Further, with regard to **payment of overtime wages** for black granite quarry workers, the industry trends are inconsistent. The workers do not have any bargaining power. The unions are also not very capacitated to bargain on wages related issues:

- 1. Wages for overtime work in several black granite quarries is calculated at a single rate as stated by 46% of the workers
- 2. Overtime wages in most quarries are calculated as twice the regular wage during night shift production.
- 3. Quarry workers in Mahbubabad district receive payment for OT hours only if they complete 4 additional hours of work. If they complete anything less than 4 hours, OT wages remain unpaid.

**Delayed payment** of wages by two to three weeks of the regular wage-period both in quarries is a consistent feedback from workers across three districts. Owing to this delay in wage payment, migrant and quarry workers in some cases, resort to taking loans varying between rupees 5000 to 15000 from their principal employers, contractors, immediate kin, peers and/or local money lenders. These money lenders typically charge an interest rate of 3 rupees 3 per 100 rupees of loan taken, thereby increasing the financial liability of concerned workers.

Asha\* (name changed),40 years old, from Khammam, belongs to a household whose livelihood is dependent on the black granite industry. Both her husband and son work as drillers in a black granite quarry. Each earns approximately 500 INR per day. 500 INR wage rate is a cumulative amount in which they are also responsible for buying fuel for the drilling machine (owned by the workers), and bear any repair costs.

Asha shared certain challenges of receiving the salary 15 – 20 days late. Since both her husband and son work in the same place and there is no alternative source of income, they find this delay in payment of salary challenging to manage daily expenses. Additionally, she mentions that since her husband has been working in the mining quarry for over 10-15 years, he has developed breathing issues. Both husband and son, do not receive any protective gear, as shared by Asha and as a result, he has developed breathing issues. Both husband and son, do not receive any protective gear, as shared by Asha. There is no medical attention specifically provided by the company for his condition and they have to visit the local CHC or a private doctor in case the condition worsens.

Deductions are made from wages of the workers towards accommodation, food, repayment of loan and absence from wages.

- 43% of the workers stated that their wages are deducted when they are absent from work. This is both for daily rated and monthly rated workers.
- 5% of the migrant workers stated that they have to pay for their food and accommodation which is deducted from their wages every month.
- 5% of the workers are repaying loans taken from the management.

Interviews with DGMS indicated that owing to the unorganised nature of workers in the natural stone sector, violation of legal labour provisions such as nonissuance of contract letter and payslip, and passbook for migrants, delay in wage payment, miscalculation of OT wages, etc. are common practices. These violations often have negative bearing on the workers. For example, non-issuance of payslip negatively impacts the wage bargaining power of the worker in his next employment. Without any proof of last drawn wage, workers often are made to work at similar or lesser wage than that of their previous employment. This is especially true for migrant workers in the black granite processing units. Only in rare situations, wherein the quarry and processing units strength is over 50 workers, principal employers comply with legal provisions.

Accommodation 5%

Food 5%

Repayment of loan, 5%

Absence from work 43%

Figure 10: Deductions from wages

| C  | urrent Gaps                |      | Legal References & ILO                                  |
|----|----------------------------|------|---|
| 1. | Non payment of legal minim | ıum  | 1. Inter-State Migrant Workmen Act, 1979: The           |
|    | wages                      |      | contractor/principal employer is supposed to            |
| 2. | Deduction towo             | ards | provide food and accommodation to the workers.          |
|    | accommodation and food     | of   | 2. Minimum Wages Act, 1947: Payment of wages within     |
|    | migrant workers            |      | 7 <sup>th</sup> day of the next month; payment of state |
| 3. | Delayed payment of wages   |      | specified legal minimum wages                           |

| Į. | 4.                         | Payment of OT wages at single rate | 3. Mines Act, 1952 & Minimum Wages Act, 1947:         |
|----|----------------------------|------------------------------------|---|
| ١, | 5.                         | Withholding the wages when         | Double rate of OT payment                             |
|    |                            | workers do not want to work is an  | 4. C029 - Forced Labour Convention, 1930 (ratified by |
|    | indicator of forced labour |                                    | India)  |

## Occupational Health and Safety (OSH) of Workers

Legal provisions outlined in Mines Act 1952 and Inter-State Migrant Workmen Act 1979, mandates principal employers to provide appropriate and adequate occupational health and safety protection to workers (both local and migrant) at work-sites. However, workers are provided with only drinking water facilities and first aid kits.

Following is the status of facilities being provided to workers, based on workers interviews:

**Table 14: Facilities provided to workers** 

| Provisions need to be made available | Current status  |  |  |  |  |
|--------------------------------------|---|--|--|--|--|
| Drinking water                       | Available   |  |  |  |  |
| Separate toilets men and women       | Not available (no toilets available)  |  |  |  |  |
| First aid box                        | Workers are using where it is available.  |  |  |  |  |
|                                      | Available: reported by 38% quarry workers   |  |  |  |  |
| Conveyance                           | Workers are using this facility wherever available.  38 % quarry workers mentioned that the management takes responsibility of conveyance to medical facilities and treatment during fatal accidents on-site. |  |  |  |  |
| Annual health check-up               | Not available: medical check-ups are conducted once in three years approximately. This is a sector wide finding.  |  |  |  |  |
| Canteen                              | Not available   |  |  |  |  |
| Rest area                            | Not available   |  |  |  |  |
| Crèche facilities                    | Not available   |  |  |  |  |

Interview with DGMS representative indicated that the reason behind the lack of provision of medical facilities to workers can be attributed to management's strategy of reducing overall costs of production, especially in small scale quarries and processing units.

Further, to avoid physical injuries and fatalities at worksites, management has to provide personal protection equipment (PPE) to workers (quarries and processing units). Typically, the types of PPE required in black granite quarries and processing units are dust mask, hard hat, eye protection, steel toecap, safety boots, gloves, hearing protection and task-appropriate respiratory protection. However, in most cases, PPEs are not provided by the principal employer or unutilised by workers.

Interview with DGMS indicated the higher risks associated with black granite quarry workers, in comparison to workers engaged in processing units. For example, quarry workers are prone to granite rock explosions, large moving stones, dust, and backbreaking labour. Additionally, those quarry workers (especially migrants) who are engaged in cutting of large black granite rocks utilising Diamond Wire (a rock cutting instrument made of diamond and tungsten) are at a risk of fatal accidents caused by the exposure of minute diamond pieces during breakage of the rope. Amongst the interviewed quarry workers, 29% mentioned that they have been injured on-site during work. As such, majority (67%) quarry workers mentiuoned that they are provided with few

PPE such as: helmets, boots, glasses etc. for safety at work-site. On the other hand, only 6% of the interviewed processing units workers were provided with some form of PPE by management. Amongst the interviewed quarry workers, majority (57 %) mentioned that they do not use PPE during work owing to restriction in movement and unease cause by the same. (figure 3). This non-utilisation of PPE by workers can also be attributed to their lack of awareness on the importance of the same. This has been verified by 90 % quarry workers who mentioned that no PPE related training has been conducted by employers.

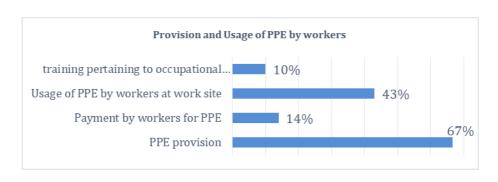


Figure 11: Provision and usage of PPE by workers

Interview with DGMS revealed that provisions of adequate and sufficient provision of PPE and trainings related to its importance and usage is not available at the quarry level as a sector wide trend, especially in small proprietorship and smaller companies, owing to their low production and revenue generation. The DGMS also noted that mining leases as small as 1 hectare are being provided by the Department of Mines & Geology. Amongst the interviewed workers, 29% mentioned that they have been injured on-site during work.

Despite the frequent incidents of illnesses and accidents caused at the quarries and processing units, there is no standardised routine of medical examination of workers, as reported by DGMS which is the key governing body to ensure health and safety of workers in quarries and processing units. It was also mentioned by DGMS that medical examination of workers is conducted approximately once in three to five years. DGMS is mandated to send health and safety related circulars to respective mine owners to ensure legal compliance. In case of non-compliance of OHS related provisions, DGMS provides a warning of 30-60 days for remediation, following which further notic is provided and finally the issue is forwarded to the mining department where in their lease is cancelled. (no data regarding this was made available)

Additionally, interview with the Telangana Department of Labour indicated that on-site quarry inspection to ensure provisions of wages, accommodation, hours of work, social security and other benefits, etc. is a directive from the Telangana State government. However, as against this, frequent on-site inspections of quarries have not been conducted due to lack of human resources as shared by 2 district level officers from the labour department.

#### Procedural gaps:

- 1. No health and safety policy
- 2. No process of undertaking risk assessment of various operations to devise protective mechanisms for the workers
- 3. Lack of systematic induction on health and safety aspects for new workers in a quarry
- 4. No process of providing formal trainings to the workers

| Current legal gaps            | Legal References                                      |  |  |  |  |
|-------------------------------|---|--|--|--|--|
| 1. No medical examinations    | 1. The Mines Act 1952: Medical Examination Of Persons |  |  |  |  |
| organised for workers         | Employed Or To Be Employed In Mines: The owner, agent |  |  |  |  |
| 2. Safety committees have not | or manager of every mine shall make arrangements for  |  |  |  |  |

- been constituted
- 3. The legally required facilities are not being made available to the workers
- 4. Irregular or no distribution of PPEs
- No toilet or crèche provisions made for female workers employed in the quarries
- the initial medical examination of every person employed in the mine
- made 2. **The Mines Act 1952:** Safety committee: For every mine wherein more than 100 persons are ordinarily employed, the owner, agent or manager shall constitute a safety committee for promoting safety in the mine.
  - 3. **The Mines Act 1952:** All workers are entitled to the facilities like proper PPEs, drinking water, toilet, showering areas, resting areas, access to first aid stations, annual medical examinations and crèche facility for their children.

### Provision of accommodation for migrant workers

Principal employers and contractors provide accommodation facility to migrant workers within the quarry premises. Only 20% of the quarry workers live in one-room accommodation provided by the principal employer. Expenses related to with electricity and water in these accommodations is provided by principal employer, while food expenses are paid by the contractor.

However, the migrant workers expressed *dissatisfaction with the nature of accommodation* being provided. Upon observation, it was found that in most cases, the one-room accommodation is a semi pucca house with a tin roof with multiple beds crammed together. On an average, 7 to 9 workers reside in the same room, thereby leaving them with inadequate physical space.

Usually there is only one toilet (with no bathroom) in their accommodation, which is used by approximately 7 to 9 workers. Therefore, owing to the usage of one toilet by multiple workers, it is often rendered unsanitary and unusable, thereby leading some workers to practice open defectaion around their accommodation areas.

95% of the workers do not have to pay for their food and accommodation.

#### **Harassment and Abuse**

Quantitative data from this study demonstrates low incidence of abuse and harassment of workers in processing units and quarries. However, amongst the interviewed quarry and processing unit workers, 10% and 19% have mentioned that they have 'heard instances of abuse by management towards fellow workers'. However, channels of reporting and redressing cases of harassment and abuse did not exist in any of the quarries and processing units visited during the study.

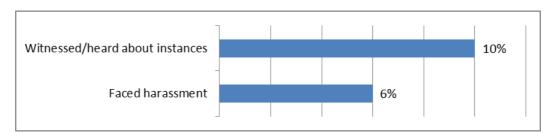


Figure 8: Prevalence of harassment

During the study it was found that in one out of ten processing units, the management and contactors verbally and physically abuse workers on-site. The key reason of abuse is non-compliance to standards of quality work. Further, workers have been discouraged, by the management, to be part of trade unions by displaying threats to their jobs.

#### Grievance Redressal Mechanism (GRM) for workers

Interviews with workers indicated that the key grievances of workers in quarries were related to the non-payment of timely wages. Despite communication of this grievance by the workers to the management through contractors, delayed payment of wages still continues across most quarries. Further, none of the target quarries had formed Grievance Redressal Committee (GRC).

# **Working Conditions in Black Granite Processing Units**

#### **Recruitment Process**

Workers in the processing units are migrants both in Warangal and Khammam districts. There are no units in Mahabubabad. Recruitment of the workers are done by the contractors because majorly all operations are under them in these units. The management does not directly operate the production process. Contractors are known to the workers through their familial or village networks. Their role is to mobilise the workers and get them to the units, manage their food and accommodation as well as all payments. These workers work at a stretch for a period of 6 to 7 months and then take leave to go home for a period of 30 to 45 days.

Study findings indicated as a sector wide scenario, presents the following **status of worker recruitment process** in processing units:

- 1. Appointment letter: not received by any worker.
- 2. Induction: Only given on the work and per day wages. No proper induction or training on health and safety, grievance redressal, sexual harassment and abuse.
- 3. Record of workers: Processing units do not take any identity documents from the workers like Voter ID or Aadhar Card. The absence of workers identity documents escalates the risk of 'unintended' employment of young workers (below 18 years) in the quarries and processing units. Similarly, without workers' address proof, there exists a possibility that employers fail to communicate about information related by accident/injury/death to immediate family members of workers.
- 4. For migrant workers, provision of passbook by the contractor remains absent in the processing units

#### **Procedural gaps:**

- 3. Non-issuance of appointment letters or job ID cards by the contractor or principal employer, which is a prominent trend, observed in the sector.
- 4. No proper induction given to workers at the time of joining as stated by 94% of the workers, except on wages and the kind of work to be done by the workers in the quarry.

| Current legal gaps |                                 | Leg | Legal References  |  |  |
|--------------------|---------------------------------|-----|---|--|--|
|                    |                                 |     |   |  |  |
| 1.                 | Non-issuance of passbook (to    | 1.  | Inter-State Migrant Workmen Act, 1979: "Principal employer    |  |  |
|                    | migrants) by principal employer |     | to issue to every inter-State migrant workman, a pass book    |  |  |
|                    | and contractor                  |     | affixed with a passport size photograph of the workman        |  |  |
| 2.                 | Lack of maintenance workers'    |     | with the date of recruitment, the date of employment;         |  |  |
|                    | records by principal employer   |     | "wage period" total attendance/unit of work done (in          |  |  |
| 3.                 | The contractors are not legally |     | respect of piece-rated migrant workman) total wages           |  |  |
|                    | registered with the Department  |     | earned/deductions if any made/net amount paid and             |  |  |
|                    | of Labour and Employment        |     | signature of contractor or his duly authorised representative |  |  |
| 4.                 | The Contractors are not legally |     | with date; and name and address of the next of kins of        |  |  |
| l _                | registered to operate           |     | migrant workman"  |  |  |
| 5.                 | No MoU signed between the       | 2.  | Telangana Industrial Employment (Standing Orders) Rules,      |  |  |
|                    | principal employer and the      |     | 1953: "Record of age (a) Every workman shall indicate his     |  |  |
|                    | contractor                      |     | exact date of birth to the employer or the officer authorised |  |  |
|                    |                                 |     | by him in this behalf, at the time of entering service of the |  |  |
|                    |                                 | •   | establishment"  |  |  |
|                    |                                 | 3.  | Contract Labour (Regulation and Prohibition) Act,             |  |  |
|                    |                                 |     | 1970  |  |  |
|                    |                                 | 4.  | Telangana Factories rules, 1950                               |  |  |
|                    |                                 |     |   |  |  |

## Hours of Work and Provision of Leaves

Processing unit workers work for approximately 20-25 days. Per day working hours vary from 8-10 for these workers, also verified by 75% processing units workers. Workers also reported of engaging in **overtime work (OT)** during peak production months, in processing units. 15% processing units workers mentioned that they engage in OT work equating to 2-4 hours per day.

As stated by owners of these units in Warangal, there is no regulation on the hours of work, the workers are migrant and paid n piece rate basis. They can work for as long as they want even at night to earn more wages. The workers stated, however, that overtime is not always voluntary. In most cases workers cannot refuse to do overtime work due to fear of job loss.

Further, with regard to provision of paid leaves, 81% processing units workers mentioned that there is **no provision of paid weekly holidays**, **paid annual leaves and compensatory holidays** for working on festivals.

The workers get one day paid leave on Amavas, which is a new moon day as per the Hindu calendar.

| Current gaps   | Legal references  |
|--|---|
| <ol> <li>The workers' attendance is not recorded.</li> <li>The time record of the workers is not maintained.</li> <li>There are no provisions of annual leave with wages</li> <li>There is no provision of a paid weekly rest day</li> </ol> | Telangana Factories rules, 1950 Code on Occupational Health and Working Conditions of Workers |
| <ul><li>5. There is no provisions for compensatory off for working on Sundays or other holidays</li><li>6. Overtime is made compulsory for the workers</li><li>7. Excessive overtime</li></ul>   |   |

#### Wages and social security benefits

Nature of wage structure in the black granite processing units is classified as: monthly rated, daily rated and piece rated workers. Monthly rated workers are entitled to a fixed month's rate irrespective of their volume of production. On the other hand, wages of piece rate workers are calculated based on the amount of work they are able to complete as per required quality standards, measured in square feet (sq ft).

Payment of wages for processing unit workers is done on a monthly basis by the contractor, in cash. This has been verified by 81% processing units workers who mentioned that they receive their wages at the end of every working month. Workers do not receive any kind of pay slip from the employer upon wage payment.

The distribution of regular wage structure for workers in processing units in details below:

Table 15: Wage structure in black granite quarries and processing units

| Categories of workmen      | Skill level | Piece rated:<br>Amount per<br>square feet (in<br>INR/Euros) | Daily<br>rated: Per<br>day wage<br>rate (in<br>INR/Euros) | Monthly rated: End of month payment (in INR/Euros) |
|----------------------------|-------------|---|---|--|
| Loading/unloading          | Unskilled   | 2.5 INR /   | -   | -  |
| Cutter/ cutting worker     | Skilled     | 3 INR /   | -   | 12000 – 15000 INR / 150<br>– 188 Euros             |
| Helper to cutter           | Unskilled   |   |   |  |
| Polisher/ polishing worker | Skilled     | 3 INR /   | -   | 12000 – 15000 INR / 150<br>– 188 Euros             |
| Helper to polisher         | Unskilled   |   |   | 8000 – 10000 INR / 100 –<br>125 Euros              |

The state specified minimum wages are as follows:

• Unskilled workers: 9042 INR/ 113Euros

Semi-skilled workers: 10606 INR / 133 Euros

Skilled workers: 12928 INR / 166 Euros

• Highly skilled workers: 16033 INR / 200 Euros

These workers do not have access to PF, ESI, Annual Bonus and Gratuity in the processing units. Further, the different types of deductions made from workers' wages in black granite processing units, is given below:

Figure 9: Deductions from wages



| Current Gaps                    | Legal References & ILO                        |
|---------------------------------|---|
| 1. Non payment of legal minimum | 1. Inter-State Migrant Workmen Act, 1979: The |

| 2. | wages<br>Deduction |     | towo | ards | contractor/principal employer is supposed to provide food and accommodation to                                |
|----|--------------------|-----|------|------|---|
|    | accommodation      | and | food | of   | the workers.  |
|    | migrant workers    |     |      |      | Minimum Wages Act, 1947: payment of state specified legal minimum wages Telangana Processing unit Rules, 1950 |
|    |                    |     |      |      | C029 - Forced Labour Convention, 1930   |
|    |                    |     |      |      | (ratified by India): non-payment legal  |
|    |                    |     |      |      | minimum wages   |

## Occupational Health and safety (OSH) of workers

Legal provisions outlined in Telangana Factories rules, 1950 and Inter-State Migrant Workmen Act 1979, mandates principal employers to provide appropriate and adequate occupational health and safety protection to workers (both local and migrant) at work-sites. Through worker interviews, it was found that workers are provided with drinking water facilities and first aid kits in processing units. A summary of facilities available in the processing units against the legal requirements is given below.

Table 16: Facilities given to workers

| Provisions need to be made available | Current status   |  |  |  |  |
|--------------------------------------|--|--|--|--|--|
| Drinking water                       | Available  |  |  |  |  |
| Separate toilets men and women       | Not available (no toilets available)   |  |  |  |  |
| First aid box                        | Workers are using where it is available.  Available: reported by 57% processing unit workers.  |  |  |  |  |
| Conveyance                           | Workers are using this facility wherever available.  44% processing units workers mentioned that the management takes responsibility of conveyance to medical facilities and treatment during fatal accidents on-site. |  |  |  |  |
| Annual health check-up               | Not available – not organised because it is floating population  |  |  |  |  |
| Canteen                              | Not available  |  |  |  |  |
| Rest area                            | Not available  |  |  |  |  |
| Crèche facilities                    | Not available – not required since female workers are not there in these units   |  |  |  |  |

Further, to avoid physical injuries and fatalities at worksites, management has to provide personal protection equipment (PPE) to workers. Typically, the types of PPE required in black granite processing units are dust mask, hard hat, eye protection, steel toecap, safety boots, gloves and hearing protection. However, only 6% of the workers have access to PPEs. 94% of them have not been provided by PPEs by the management. Several owners and supervisors stated that workers are not willing to use them hence PPEs are not provided. There is no training on health and safety to raise this awareness amongst workers which is a system level gap.

#### Table 17: Workers Speak

In Warangal a group of workers from Bihar were working as loaders during the study. The loaders do not work in any particular processing unit throughout the year or even week. They move from one processing unit to another based on the work they get. The contractors under whom they work do not take any responsibilities of on-site injuries and neither do the respective unit management representatives. One of the workers lost his thumb due to a slab falling on his hand. However, no compensation was provided to the workers, neither did the contractor/management paid for his treatment or return journey back home.

| Currer | nt legal gaps   | Legal References                   |
|--------|---|------------------------------------|
|        | No provisions of PPEs to workers<br>Fire safety standards are not<br>maintained | 1. Telangana Factories rules, 1950 |
| 3.     | No toilet facility  |                                    |

#### **Harassment and Abuse**

19% processing unit workers have mentioned that they have 'heard instances of abuse by management towards fellow workers'. However, channels of reporting and redressing cases of harassment and abuse did not exist in any of the processing units visited during the study.

Witnessed/heard about instances

Faced harassment

19%

Figure 10: Prevalence of harassment and abuse in quarries and processing units

During the study it was found that in one out of ten processing units, the management and contactors verbally and physically abuse workers on-site. The key reason of abuse is non-compliance to standards of quality work. Further, workers have been discouraged, by the management, to be part of trade unions by displaying threats to their jobs.

## Grievance Redressal Mechanism (GRM) for workers

Interviews with workers indicated that the key grievances of workers in processing units were related to accommodation facilities, lack of toilet facilities and situation of workers who were loaders (not provided compensation towards medical treatment). Further, none of the processing units had formed Grievance Redressal Committee (GRC).

#### Provision of accommodation for migrant workers

56% of the workers in processing units workers stay in one-room accommodation provided by the principal employer. Expenses related to with electricity and water in the accommodation is provided by principal employer, while food expenses are paid by the contractor. The remaining ones stay within processing unit premises in a room consisting 8 to 10 workers. The workers are given cooking facilities but there are no toilet or bathroom facilities available for the workers.

#### Presence of NGOs and Trade Unions in Black Granite Sector

They study found an absence of NGOs at the district level working towards protecting the rights of workers in Telangana black granite quarries and processing units. While there exists two trade unions namely, CITU° located in Warangal, Mahbubabad and Khammam districts and Kakatiya Union located in Warangal district; there are no current interventions to protect the interests of the workers, especially migrants. This was also verified through quarry workers interviews, wherein 71% workers mentioned that there are no active trade unions protecting the rights of quarry workers in the study locations.

However, in the past, Kakatiya Union had undertaken a few interventions to protect the rights of local quarry workers in Warangal district. For example, members of Kakatiya trade union intervened to increase the daily wage of quarry workers by 50 INR. They also demanded health insurance for quarry workers of black granite quarries in the district: however, this was not accepted by the concerned management. As indicated through interviews, the focus of this trade union in the future shall be on ensuring (i) health and safety and (ii) Provident Fund benefits for quarry workers.

Migrant workers, remain absent from any form of unionization, as indicated by interviews with trade union collectives and migrant workers themselves. Key reasons identified by a CITU leader are: frequent mobility of these workers from one occupation to another, frequent inter-state migration, and constraints in accessibility of these workers as they are accommodated within the quarries and processing units, amongst few others.

<sup>&</sup>lt;sup>9</sup> CITU is a national level union, formed in 1970. The union focuses on the ensuring the right of every worker irrespective of their sector and supply chain.

#### Prevalence of Child Labour in Black Granite Sector

Child labour is said to exist when a child (under the age of 18) performs work that violates his/her right to education, is harmful to the child's physical and/or mental health and his/her spiritual, moral or social development. In India, children are not allowed to work before 14 years of age. Between 15-18 years they ar allowed to work as young workers, but such work must not prevent the child's receiving a formal education or regular instruction. It must also not be harmful to the child's health; if it is, it is categorised as child labour. The definition of child labour also applies to young people aged between 15 and 17 who perform hazardous work or who work in the worst forms of child labour. However, the strictest law is considered to be the final legislation in terms of child labour. As per the Mines Act, 1952 no workers should be below the age of 18 years.

Interviews with workers (migrant and local), contractors, trade union and government representatives: (DGMS and Labour Department) indicated that there is no prevalence of child labour (under 15 years of age) in the black granite quarries and processing units in Telangana. This is because processes involved in granite production are arduous which requires handling of complex and heavy machinery, that cannot be operated by children. However, it is to be mentioned that because there is no maintenance of workers' records: identity documents, address proof, birth certificate etc., by the principal employers and contractor, the probability of employing children in the quarries and processing units does not cease to exist. This however could not be verified during the study.

The absence of child labour (below 14 years) in the black granite quarries and processing units was also confirmed by school teachers across the study locations. Interviews with school teachers indicated that local community members are aware of the importance of education. Therefore, parents typically enrol their children in school and encourage children for continuing their education beyond secondary and higher secondary levels. Further, interviews with labour commissioner demonstrated that the black granite quarries and processing units are often raided by the local police to monitor the employment of child laborers. Owing to fear of license cancellation, owners and management often are mindful of not employing children in their quarries and processing units.

Yet, the study found a trend of young male migrant workers (above 15 years) being engaged as helpers in the quarries and processing units. These young male workers usually perform menial tasks such as: cleaning, collection of waste materials, arranging snacks for management staff and workers and helping

JCB operators. This was also verified through the qualitative survey with quarry workers wherein 24 % mentioned that they started working at the age of 15-18 years.

**Table 18: Profile of young workers** 

| Age group                                     | 15 to 18 years                                     |
|---|--|
| Gender  | Boys   |
| Source of employment                          | Bihar, Orissa, Uttar Pradesh (as per study sample) |
| Employment status                             | Contractual  |
| Status of school enrolment                    | Not enrolled                                       |
| Compensation against injuries                 | Provided by the management or contractors          |
| Accompanied by                                | Other workers from the village and sometimes       |
|   | family members like uncles and cousins             |
| Wages   | 7000 INR / 88 Euros                                |
| Access to PPE                                 | Depends on quarries                                |
| Tenure of engagement with a particular quarry | 3 to 5 months at a stretch in one quarry           |

## Prevalence of forced labour in Black Granite Sector

As per ILO Forced Labour Convention, 1930 (No. 29), "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily" is classified as forced labour. Based on this definition, there are eleven parameters to classify a given situation as forced labour: abuse of vulnerability, deception, restriction in movement, isolation, physical and sexual violence, intimidation and threat, retention of identity document, withholding of wages, debt bondage, abusive working and living conditions and excessive overtime.

The study indicated that out of these eleven, workers in quarries and processing units are vulnerable to four parameters: debt bondage, abusive working and living conditions, physical violence, excessive overtime, hereby signifying the prevalence of forced labour. Table below details these parameters of forced labour applicable in the current context:

Table 19: Indicators of forced labour present in Black Granite Sector

| Parameters                             | Details  |  |
|--|--|--|
| Intimidation and threat                | Migrant workers cannot refuse overtime due to fear of job loss.  |  |
| Abusive conditions: working and living | <ul> <li>Unsanitary and inadequate accommodation (approximately 6-7 workers reside on one room accommodation),</li> <li>lack of toilets in quarry and processing units resulting in open defecation practices,</li> <li>Inadequate PPE provision. In some cases, no PPEs are provided to workers in processing units and quarry thereby leading to high risk of on-job injuries, lacerations etc. For example, DGMS data indicated the death of two quarry workers in 2018 and 2019.</li> <li>Lack of periodic medical examination causing vulnerability occupational health hazards.</li> <li>Delay in wage payment upto 15 days</li> <li>Lack of paid monthly and annual leaves for both quarry and processing units workers.</li> </ul> |  |

| Physical Violence       | <ul> <li>19% quarry workers and 10% processing units workers mentioned that they have heard of cases of violence by management against workers. The prevalence of physical and verbal violence by processing units and quarry management, in few cases.</li> <li>Key reasons of violence include inability to meet production quality standards.</li> </ul>   |
|-------------------------|---|
| Excessive overtime (OT) | <ul> <li>Worker interviews indicated working for over 12 hours during high production t demand</li> <li>Migrant workers are accommodated within the quarry and processing units premises. Therefore, there exists no standard working hours for this category of workers: one shift can range from 6 to 8 hours or 8 to 12 hours</li> <li>During festival seasons, especially Holi, workers often take unpaid leaves. This creates additional burden of work for the remaining workers.</li> <li>OT wages are paid to workers only in completion of 4 OT hours (additional to 8 hours of regular work).</li> <li>In some situations, migrant workers work for over 36 workers in quarries and processing units. Interviews with contractors and workers revealed that because migrant workers are accommodated inside the quarry and processing units premises, their accessibility for engaging in OT hours becomes convenient.</li> </ul> |

## **Annexure 1: Methodology**

This sectoral study was conducted in 12 villages across 3 districts of Khammam, Mahabubabad and Warangal in Telangana and Dabi village (Bundi District) and Kota district of Rajasthan for sandstone. These districts were selected based on records of high annual production and export record of black granite and sandstone as well as presence of suppliers from whom companies affiliated to the TruStone Initiative source.

Given below is the complete list of stakeholders covered during this study in Telangana:

Table 20: Sample covered: Black Granite sector

|            | Stakeholders  | Quantitative<br>Survey | IDIs | FGDs |
|------------|---|------------------------|------|------|
| Private    | Workers (both local and migrant) employed in black granite quarries and processing units                                    | 37                     | -    | 3    |
|            | Quarry owners   | -                      | 2    | -    |
|            | Trade Unions: CITU, Kakatiya trade Union,<br>Hamali Workers Trade Union   | -                      | 3    | -    |
|            | Rajasthan Contractors Collective  | -                      | 1    | -    |
|            | The Khammam Slab Processing unit Owners<br>Association  | -                      | 1    | -    |
|            | Quarry Supervisor   | -                      | 2    | -    |
|            | Processing unit site-in-charge  | -                      | 1    | -    |
| Government | Sectoral Officer: District Education<br>Department, Khammam, Warangal   | -                      | 2    | -    |
|            | General Manager: Department of Industries and Commerce (DIC), Khammam   | -                      | 1    | -    |
|            | Joint Director: Directorate of Mines and Safety (DGMS), Hyderabad   | -                      | 1    | -    |
|            | Assistant Labour Commissioner and Deputy<br>Commissioner: District Labour Department,<br>Mahbubabad and Khammam             | -                      | 2    | -    |
|            | Surveyor, Royalty Inspector and Assistant<br>Geologist: Department of Mines and<br>Geology (DMG), Mahbubabad and<br>Khamam. | -                      | 4    | -    |

| Joint Director, Department of Mines and<br>Geology, Hyderabad |    |    |   |
|---|----|----|---|
| Total   | 37 | 19 | 3 |

Table 21: Sample covered: Sandstone sector

|            | Stakeholders   | Quantitative<br>Survey | IDIs | FGDs |
|------------|--|------------------------|------|------|
| Private    | Workers (both local and migrant) employed in black granite quarries and processing units | 33                     | -    | 7    |
|            | Quarry owners  | -                      | 1    | -    |
|            | Quarry supervisors   |                        | 4    |      |
|            | Trade Unions: Rajasthan Barad Khan<br>Mazdoor Sangh                                      | -                      | 1    | -    |
|            | Mines Owners Association, Bundi  | -                      | 1    | -    |
|            | Stockyard Owners   |                        | 5    |      |
|            | Processing unit owners   | -                      | 6    | -    |
|            | Processing unit Supervisors  | -                      | 4    | -    |
|            | NGOs   | -                      | 2    | -    |
| Government | Superintendent, Department of Mines and Geology (DMG), Kota                              | -                      | 2    | -    |
|            | Deputy Director, Directorate of Mines and Safety (DGMS), Ajmer                           | -                      | 1    | -    |
|            | Head teacher and teacher, Dabi High<br>School  |                        | 2    |      |
|            | Total  | 33                     | 29   | 7    |

A detailed review of literature was undertaken based on which key issues in the procurement phase of both sandstone and black granite chain were identified. All study findings have been corroborated and triangulated against existing literature on the issues identified and the perspectives gained from different stakeholders to provide a holistic understanding in the national context.

## **Annexure 2: Key issues in Natural Stone Sector**

The table below details the violation of key labour mandates by principal employers and contractors, upon recruitment of workers in black granite quarries and processing units of Black Granite in Telangana and Sandstone in Rajasthan.

| inding Legal Reference   |  |  |  |
|--|--|--|--|
|  | RECRUITMENT  |  |  |
| by principal employer  | <ul> <li>Inter-State Migrant Workmen Act, 1979: "Principal employer to issue to every inter-State migrant workman, a pass book affixed with a passport size photograph of the workman with the date of recruitment, the date of employment; "wage period" total attendance/unit of work done (in respect of piece-rated migrant workman) total wages earned/deductions if any made/net amount paid and signature of contractor or his duly authorised representative with date; and name and address of the next of kins of migrant workman"</li> <li>Mines Act, 1952: "For every mine there shall be kept in the prescribed form and place a register of all persons employed in the mine showing in respect of each such person: the name of the employee with the name of his father or, of her husband or any other information necessary for identification; age, sex and nature of employment"</li> <li>Factories Act, 1947: "Register of adult workers. (1) The manager of every processing units shall maintain a register of adult workers to be available to the Inspector at all times during working hours, or when any work is being carried on in the processing units, showing— (a) the name of each adult worker in the processing units; (b) the nature of his work; 43 (c) the group, if any, in which he is included; (d) where his group works on shifts, the relay to which he is allotted; (e) such other particulars as may be prescribed"</li> <li>Industrial Employment (Standing Orders) Central Rules, 1946: "Record of age (a) Every workman shall indicate his exact date of birth to the employer or the officer authorised by him in this behalf, at the time of entering service of the establishment"</li> <li>Code on Occupational Safety, Health and Working Conditions, 2019: "It is the duty of the employer to issue a letter of appointment to every employee containing such information as may be prescribed by the appropriate government."</li> </ul> |  |  |
| HOURS OF WORK  |  |  |  |
| <ul> <li>Excessive overtime for<br/>quarry and processing</li> </ul> | Mines Act, 1952: "Sec. 28 to 30: No person employed in a mine shall be required or allowed to work in the mine for more than 10 hours in any day inclusive of overtime"  |  |  |

units workers.

- ❖ Factories act, 1947: "Sec. 59: Where a worker works in a processing units for more than 9 hours in any day or for more than 48 hours in any week, he/she shall, in respect of overtime work, be entitled to receive wages at the rate of twice his/her ordinary rate of wages"
- Telangana Factories rules, 1950
- Rajasthan Factories rules, 1952

#### **WAGES AND BENEFITS**

- Calculation of OT wage at single rate of worker's regular wage.
- Payment of OT wages only upon completion of 4 hours of OT work.
- No weekly holidays for both quarry and migrant workers.
- No paid annual leave for quarry workers
- No compensatory holidays
- Delay in payment of wages by approximately two weeks in both quarries and processing units.
- No provision of Journey Allowance by contractors to migrant workers
- No Access to PF, ESI, Annual Bonus and Gratuity

- Minimum wages Act, 1947
  - o "Under Sec. 33 it is mentioned that for overtime wages are to be paid at the rate of twice the ordinary rates of wages of the worker. It mentions that the employer can take actual work on any day upto 9 hours in a 12 hours shift. But he must pay double the rates for any hour or part of an hour of actual work in excess of nine hours or for more than 48 hours in any week."
  - "Sec. 14 of the Act mentions that any worker whose minimum rate of wages are fixed with wage period of time, such as by hour, by the day or by any such period and if a worker works more than that number of hours, it is considered to be overtime. In case if the number of hours constituting a normal working day exceeds the given limit, then the employer will have to pay him for every hour or for part of an hour for which he has worked in excess at the overtime rate."
- \* Factories act, 1947: "Annual leave with wages. (1) Every worker who has worked for a period of 240 days or more in a processing units during a calendar year shall be allowed during the subsequent calendar year, leave with wages for a number of days calculated at the rate of-- (i) if an adult, one day for every twenty days of work performed by him during the previous calendar year; (ii) if a child, one day for every fifteen days of work performed by him during the previous calendar year. "
- Telangana Factories rules, 1950
- \* Rajasthan Factories rules, 1952
- Contract (Regulation and Prohibition) Act, 1970: "As per Rule 79 of the Act, it is compulsory for every contractor to maintain a Register of Overtime in Form XXIII which will contain all details relating to overtime calculation, hours of extra work, name of employee, etc."
- Labour Code on Occupational Health and Working Conditions of Workers, 2018: (i) "no worker shall be allowed to work in an establishment on more than six days in any one week" (ii) if a worker is deprived 24 of any of the weekly holidays, the worker shall be allowed, within the month in which the holidays were due or within the two months immediately following that month, compensatory holidays of equal number to the holidays so deprived.10
- ❖ Payment of Wages Act, 1936: "Wages shall be paid on a working day within 7 days of the end of the wage-period (or within ten days if 1,000 or more persons are employed). Further, neither migrant nor local workers are entitled to PF and Gratuity benefits."

- ❖ Inter-State Migrant Workmen Act: "A journey allowance of a sum not less than the fare from the place of residence of the inter-State migrant workman in his State to the place of work in the other State shall be payable by the contractor to the workman both for the outward and return journeys and such workman shall be entitled to payment of wages during the period of such journeys as if he were on duty."
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- Employees State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972

#### **GRIEVANCE REDRESSAL**

- No committee to ensure prevention and redressal of harassment and abuse of quarry and processing units workers
- Threat by principal employer on termination if workers express interest to join a trade union or workers representation platform
- No formation of Grievance redressal Committee in quarries and processing units.

- ❖ Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013: Describes employer liability and statutory mandates and obligations 3 with respect to setting up Complaints Committees, receiving complaints and the procedures to be addressed in the investigation of complaints.
- ❖ Trade Union Act, 1926: "The formation of a trade union, being a fundamental right of workers, cannot be prevented by an employer. Neither can an employer prevent the registration of such a trade union under the TU Act. Any form of interference, restraint or coercion by the employer in an attempt to prevent a worker or workers from joining a trade union would amount to an "unfair labour practice" as provided under the IDA and would be punishable with imprisonment and/or a fine."
- Industrial Disputes Act 1947: Section 3: "Every industrial establishment employing twenty or more workmen shall have one or more Grievance Redressal Committee for the resolution of disputes arising out of individual grievances. The Grievance Redressal Committee shall consist of equal number of members from the employer and the workmen. The total number of members should not exceed six. The chairman of the GRC will be selected from the employer and from among the workmen alternatively on rotation basis every year"

#### **OCCUPTIONAL HEALTH AND SAFETY**

- Inadequate or no provision of PPE to quarry and processing units workers
- No periodic medical examination of workers
- No periodic training for ensuring safety of

- ❖ Factories act 1947:
- o "In respect of any such manufacturing process carried on in any processing units as may be prescribed, being a process which involves-- (a) risk of injury to the eyes from particles or fragments thrown off in the course of the process, the State Government may by rules require that effective screens or suitable goggles shall be provided for the protection of persons employed on, or in the immediate vicinity of, the process."
- o "Safety and occupational health surveys: (1) The Chief Inspector, or the Director General of Processing units Advice Service and Labour Institutes, or the Director General of Health Services, to the Government of India, or such other officer as may be authorised in this behalf by the State Government or the Chief Inspector or the

- workers in quarries and processing units
- No toilets and bathrooms in worksites
- Inadequate one-room accommodation facility
- Insufficient toilets and no bathroom in accommodation in Warangal district
- No creche facility

- Director General of Processing units Advice Service and Labour Institutes or the Director General of Health Services may, at any time during the normal working hours of a processing units, or at any other time as is found by him to be necessary, after giving notice in writing to the occupier or manager of the processing units or any other person who for the time being purports to be in charge of the processing units, undertake safety and occupational health surveys and such occupier."
- "Every workers has the right to get trained within the processing units wherever possible, or, to get himself sponsored by the occupier for getting trained at a training centre or institute, duly approved by the Chief Inspector, where training is imparted for workers' health and safety at work."
- The Mines Act 1952: Examination Of Persons Employed Or To Be Employed In Mines: "The owner, agent or manager of every mine shall make arrangements for the initial medical examination of every person employed in the mine, within a period of five years of the date so notified and the said examination shall be so arranged over a period of five years that one-fifth of the persons employed at the mine undergo the examination every year. No woman shall, without her consent, be medically examined by a male medical practitioner except in the presence of another woman. The cost of ME shall be borne by the owner of the concerned mine."