

# Gagan International Limited study solution



**Brand:** Mehta Solutions

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## Short Description

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## Description

Gagan International Limited

**Gagan International Limited was established in the year 1978 at Nasik. It was an international business unit of Gagan group which had an annual turnover of Rs 5,000 crores and an employees strength of 1,50,000. The group enjoyed a good reputation for its technology and quality. Gagan International Limited had an annual turnover of Rs. 1500 crores and its activities ranged from trading in the engineering and consumer products, to the manufacture of high quality finished leather, leather bags, leather purses and wallets and leather outfits and the execution of the turnkey projects and the project related management services overseas. The company maintained the network of international offices located at commercial centers in the developed countries and also in several developing countries. The company had a total strength of around 1100 employees with 51 managers, 120 officers, 175 staff and 674 workers. Most of the workers were literate and in**

**their early 40s.**

**There were 18 women workers in the workforce. Workers belonged to the same community and would absent themselves from the workplace, enmass particularly during summers which is the season of marriages and harvesting. They were high on social orientation and did not mind being absent from the workplace even for the marriage or may similar event of a distant relation. With the result enmass absenteeism would hinder the production of the company. The workers would also absent themselves on account of alcoholism, non payment of loan, and sickness in the family. As a measure to deal with the problem, the asked the ESI doctors not to issue sickness certificates to the workers. The company had a practice of making visits to the family of the worker and even hospitalizes the sick child of the worker to facilitate the worker and reduce the absenteeism. In 1990, the company introduced a special attendance bonus as an incentive to discourage absenteeism. A worker who had the full attendance for a month would get Rs 80 in addition to one casual leave, and if he would earn it for three months then he would get cash reward of Rs 500. This advantage was not availed by the chronic cases. The company felt that they had a social commitment and therefore, even recruited two social workers, Maitre Gupta and Anuradha Pandey, who would make frequent visits to the families of the workers who frequently absented themselves from the workplace. The social workers visited 2-3 families per day to keep the morale of the families high and to show the concerns of the company for its workers. As it was typical of the workers community, these workers kept their families in dark about the incentives that they would get in the organization. For generating awareness about the company and to educate the family of the workers, the company often organized lectures for them by the Teachers of Central Board of social welfare, a nodal center of social welfare established by the Government of India.**

In October 1999, it was discovered in one of the sections that a good skilled worker, Madan Lal, aged 35, used to absent himself frequently. He used to be absent for fifteen days at a stretch every month. On collecting the information from his family and coworkers, it was found that they he had been taking brown sugar and his drug dependence had been the reason for his recurrent absence. Maitre Gupta visited his family and found his wife Bhagwanti quite dejected and helpless on account of her husband's behavior. Madan Lal would not even spare the household utensils to get the brown sugar if he did not have the money. Madan Lal had stupid upto eight standards and his wife Bhagwanti was fourth standard school drop out, they had two small school going children. Madan Lal had separated from his parents though they lived nearby. Maitre Gupta after several visits, convinced Bhagwanti and parents of Madan Lal that deaddition of Madan Lal was important and it was possible only if they extended full cooperation to her. They were instructed not to allow Madan Lal to go out of home alone and he was to be accompanied to the bus stop where the staff bus (a special facility extended to him) was to pick him to the factory with Maitre Gupta accompanying him. On his way back, Maitre Gupta would be with him upto the bus stop where his family members would be waiting to accompany him to home. This arrangement

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continued for a few days and Madan Lal did not taste brown sugar inspite of his suffering on account of withdrawal symptoms. In between Maitre Gupta discontinued accompanying him in the bus and it was soon discovered that his drug addiction was relapsed. He would leave the served show cause notice, but it was of no avail. Maitre Gupta felt that Madan Lal should be sent to the rehabilitation center and was sent to the Ashirwad De-addiction and Rehabilitation center at Nasik. Here Madan Lal was treated for the de-addition and was discharged after 15 days. After his discharged, Madan Lal resumed his duty. Maitre Gupta, in consultation

with

**Sudhakar Bhatt (DGM, Human Resource and Industrial Relations ), worked out a new system for**

**Madan Lal. His monthly salary was directly handed over to Bhagwanti. Lunch coupons were stopped**

**for him because he would sell them for money to buy the brown sugar. If he would absent himself**

**from the job, he was forced to meet Maitre Gupta and Sudhakar Bhatt who would counsel him and**

**ask for his confession in writing. In between, he was also charged sheeted and suspended for four**

**days. He was even served a show cause notice three times. The four days suspension costed him four**

**days salary as a punishment, his family was kept informed by Maitre Gupta all through. However, by**

**the end if six months, Madan Lal showed signs of complete recovery. He started coming to work**

**regularly with an improved performance. The organization fulfilled its social commitment by**

**transforming and retaining a good worker, even when he had undergone a dark period of two to three**

**years of drug addiction.**

**1. The company faced the problem of mass absenteeism. Is it desirable to recruit workers from the**

**same community?**

**2. Were the efforts put by the organization worth in transforming Madan Lal from a drug addict to a**

**performing worker? Justify your answer.**

**3. Was suspension of Madan Lal justified? Comment.**

**4. Was the organization socially committed in a real sense or all the efforts were focused at profit**

**making?**

**END OF SECTION B**

**Details**

**1. Case study solved answers**

**2. pdf/word in 24-48 hrs**

**3. Fully Solved with answers**

