

CHAPTER - III

- 1. INTRODUCTION TO ORGANISATION**
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CHAPTER - III

(A)

1) HISTORICAL PERSPECTIVES :

Sangola Taluka has always remained as drought hit area. So the life of the common man is a continuous struggle. The rain fall is very low, and weather is dry throughout the year, so number of farmers yield cotton. The cotton producers didnot have any market nearby and the cotton was not sold reasonable price. The educated jobless be employed, and for the motivation of industrialisation and small scale industries. The mill was established under the guidance and leadership of a well known leader Ganpatrao Deshmukh.

2) FOUNDATION :

Sangola taluka shetakari sahakari spinning mill is situated to the North-west of sangola city and about 4 k.m. away from sangola on the right of the solapur-kolhapur state highway. The mill was sanctioned by the Government on 28th January 1980. The sanction letter No. of the mills SUR/PRG/(A)7. The Basic Project of the mill was of 30096 bobbins.

3) INFRASTRUCTURE :

The mill has 105 acres land in possession. The construction of basic project and extensive project has been completed on 35 acres land.

4) STAFF :

The managing director is chief executive of the mill. Spining Master, Chief Accountant, Office Secretary, Engineer, Labour Welfare Officer, Personeli Officer, and other posts are filled in with the approval of the board of directors and Maharashtra State Co-operative Spinning Mills, Ltd. Bombay.

5) WORKERS :

Most of the workers come from nearby villages. ✓

The strength of the workers is as fallows.

Sr.No.	Kind	Strength
1.	Permanant Workers	437
2.	Changes Workers	452
3.	Trainee Workers	179
4.	Offic Workers	63

The total strength of the workers in the mill is 1131 and they work in four shifts.

- 1) General Shift - 10-30 to 5-30 P.M.
- 2) First Shift - 8-00 to 4-00 P.M.
- 3) Second Shift - 4-00 to 12-00 P.M.
- 4) Third Shift - 12-00 to 8-00 A.M.

6(A). COTTON DEVELOPMENT SCHEME :

It has been decided to implement cotton development scheme in the surrounding area on behalf of the mill. Through this means cotton producers are being provided a new technique and facilities of cotton plantation which can yield more cotton than the traditional method. The cotton producers are being guided by planting different kinds of cotton on the land of the mill on experimental basis. ✓

The mill has distributed 1720 L.R.A. 5166 cotton seed to its cotton producers this year. The mill had distributed 38,000 kg. seed last year. As a result the mill brought 24,000 kg. cotton from its producers this year. It's worth is about 27.5 million rupees. The rate per 100 kg. given to the cotton producers is more than the rate declared by the government. ✓

The reason behind it is to increase cotton production and to give profitable rate to the cotton producers continuously. The purpose behind it is that shareholders farmers ought to get economic benefit and the mill will get cotton of excellent quality.

B) Sociological Development Scheme :

1) Grouping Marriage Scheme :

The prices of essential commodities and other things are increasing day by day so in order to avoid unessential expenditure in marriage ceremonies, the mill has undertaken collective marriage scheme from the point of view of social commitment.

Not only the poor, the needy, the illetrate and literate, but also the rich are taking advantage by this scheme. During 1993-94, 41 couples were successfully get married with the help of the mill. These couples were given essential utensils, clothes. The expenditure of religious rituals and meals is met by the mill. Such collective marriage, cermonises are getting good response from the people in the area.

2) Entrepreneuers Development Camp :

Unemployment among the literate is increasing on a large scale day by day. These jobless men are migrating to cities. In order to stop the flow to cities and instead of job.

These people may undertake any businness, so in order to guide such enterprenuers the mill arranges camps. Such camps are getting good response from the enterprenuers. The mill co-operates them to get financial and other help.

3) Varied Reward Schemes :

In order to inculcate discipline among the workers and to lesson the absence of the workers, so that production efficiency may be increased, so the mill has started varied Reward Schemes. According to this scheme if a worker attends 290 days in a year he is felicated by giving a reward. The selected brilliant students from primary, secondary and Higher-secondary schools during the previous year. They are falicated by giving rewards so that their potenials will be developed. The teacher who build them are also felicated.

4) Industrial Development Scheme :-

Silk Business :

The mill has planted tuti trees in an acre of land which is dry. The scheme is undertaken under the guidance by Khadi Gramodhyog Mandal Solapur. Under the scheme of NOROD Central Government. The Panchyat Samiti Sangola has given training of three months to 50 women who are below poverty line in silk business. They were given Rs. 250/- as a stipend during the training period. Rilling machine and hot Dryer machine and other essential machinery were set up the last year. This has been aided by No. R.D. Dellhi. The trainees are getting knowledge and skill by silk bussiness. Because of this type

of silk bussiness training, the silk business is increasing.

5) Goat Keeping :

If goat keeping is done in a traditional way, crops and plants are damaged on a large scale. There is increasing demand of goat meat. Taking into account this thing the mill has established 'Semistall feed'.

To take the advantage of the situation the workers themselves have brought goats from their own funds. These goats are sixty five in number and have come from Osmanabad District. Their mortality rate is less than the natives and they can survive in any type of weather. Their efficiency in breeding is higher than the other kinds of goats. So the amount invested in buying the goats gets back within a year by meeting the expenditare on them. This type of goat farm has been proved ideal so the Maharashtraian Visits such mill farm and they undertake such farm. The literate unemployed can start such business on their small farm.

6) Social Forestry :

The mill has 125 acres of land under use, the mill has undertaken social forestry on 56 acres of land. There are about thirty five thousands trees and they are by 4 to 5 years of age. In addition to this there is scarcity of water

about three thousand sal trees have been planted on the bare hill.

7) Purchase of cotton :

It is essential for the mill to purchase cotton at the right time and reasonable rate for efficient and successful running of the mill. There is 60% of rough material i.e. cotton in the production of the yarn. In order to purchase cotton at the right time and reasonable rate. The guidance of the expert is sought. The cotton produced by the shareholder is purchased by the mill. The mill doesn't get essential cotton from the area. The following kind of cotton to be purchased from neighbouring state.

H-4, H-6, NHH-44, DHY-286, AKH-41, H-468, MEEH-1, LRA-5166, Y-1, 8401 supper grade, Jyoti, DCH-32, shankar-6, J-34.

The mill purchased cotton from different societies during the year 1993-94 it is as follows. (Rs in Lakh)

Sr. No.	Dealars Name	Cotton knots.	Price	Average kg. Rate.
1)	Maharashtra State Co-op.cotton market Federation Ltd.Bombay.	26897	1342-90	2958-21
2)	Gujarath co-operative Federation Ltd. Baroda.	8400	523-93	3807-71
3)	Bharocha cotton Area co-operative cotton market union Ltd.Bharoch	400	25-92	4162-72
4)	Gujarath State Co-op Federation Ltd. Ahamadabad.	1100	78-71	4394-29
5)	Shri. Prabhat Co-op Aggri. production process and market society Ltd. Valiya (Gujarath).	200	15-23	4671-63
6)	Private	698	47-92	4188-90
7)	Shareholder	118	2.80	3152-31
Total		37813	2037-43	3227-41

8) Sales Management :

Since the mill established production of yarn is as excellent quality, so the mill doesnot have any difficulty to sell off the yarn. If complaints about yarn receive, the problem studied and the production is improved.

In 1993-94 the countwise yarn production cost and sales rate is as follows.

(Rs in Lakh)

Sr. No.	Count	Production 100 kg.	Production Price	Sales in 100 kg.	Sales price
1.	20 K	736974	398-33	759440	407-78
2.	2/20 xx	347212	202-13	347328	201-03
3.	2/20 K	82785	47-97	74250	42-21
4.	30 K	340937	204-35	343800	205-98
5.	31 K	463404	299-47	443550	283-19
6.	2/31 K	32304	23-75	31030	22-70
7.	30 KH	24227	17-34	23817	16-72
8.	35 K	1440053	979-70	1399800	943-66
9.	20 CH.	124002	88-31	136550	96-63
10.	30 CH.	2252936	195-91	262478	201-95
11.	34 CH.	277038	218-14	281046	220-39
12.	2/21 CH	40809	29- 4	13603	10-08
13.	34 KH	-	-	116	-07
Total		4162681	2704-38	4116808	2652-41

9) ECONOMIC SITUATION :

The mill has an excellent economic status. The reasons behind it are as follows. Planning of cotton purchase, efficient management of selling yarn, Top quality production of the yarn; efficient use of machinery, co-operation of the workers. Because all these above reasons the mill is earning more and more profit year after year. The comparative economic status in the year 1992-93. and 1993-94 is as follows.

(In Lakh)

Sr. No.	Particulars	1992-93	1993-94
1)	Gross profit	365-03	693-24
2)	Net profit before I.tax	130-67	163-13
3)	Net profit after I.tax	79-67	99-30
4)	Provisions for the year	119-56	308-90
5)	Net cash gain	250-23	408-20
6)	Cotton sale	2467-92	2652-41
7)	Purchase of cotton	1220-45	2037-10
8)	Stock of the cotton	164-40	741-43
9)	Soot stock	50-87	100-13
10)	Total cash gain	1518-48	1990-51

A) SHARE CAPITAL AND ASSETS :

(Rs in Lakh)

Sr. No.	Particulars	1992-93	1993-94
A) <u>Net Capital</u>			
1)	Immovable Assets	1382-75	2989-34
2)	Depreciation	881-66	1162-31
3)	Net price of Immovable Assets	501-09	1827-03
4)	Capital expenditure & advances	96-58	266-92
5)	Investment	55-36	94-43
6)	Current Assets	583-20	1357-97
7)	Current liabilities	232-83	926-78
8)	Fluctuating capital (6-7)	350-91	431-19
9)	Total Assets (3+4+5+8)	1000-90	2619-57
B) <u>Loans</u>			
10)	Long term loan	40-00	1528-79
11)	Net Assets (9-10)	963-90	1090-78
C) <u>Share capital</u>			
12)	Share holders capital	75-94	76-87
13)	Government of Maharashtra	388-65	388-65
14)	Reserve Funds & Other	337-32	391-53
15)	Total share capital (12+13+14)	801-91	857-05
16)	Gross profit	161-99	233-73
17)	Net share capital	963-90	1090-78

B) Reserve fund and other funds

S.No.	Particulars	1992-93	1993-94
1)	Reserve funds	89-55	116-85
2)	Depreciation fund	881-66	1161-32
3)	Investment allowance	99-29	99-29
4)	Share refundable fund	144-94	170-85
5)	Other funds	3-54	4-54

10) Extension of the Project :-

The basic project of the mill was of 30096 bobbins. During 1993-94 an extensive project of 12480 bobbins worth Rs. 26 crores 40 lacs has been undertaken. Of them the work of 10560 bobbins has been begun. All the bobbins are automatic. The capital for the extensive project is to raise as follows.

(Rs in Lakhs)

Sr. No.	Particulars	Amount to be collected according to the project	Amount received at the end of 31-3-94	Amount to be received.
1)	Self fund	396-00	213-10	182-90
2)	Govt. share capital	635-00	635-00	-
3)	Cicom	25-00	-	25-00
4)	Term loan	1584-00	1285-00	299-00
Total		2640-00	2133-10	506-90

11) Production and Quality of Yarn :-

Is clothing industry profitable? In this connection there are scientific criterias for production of yarn. In order to reach the norms the mill has tried from the beginning.

Sr.No.	Year	Productivity per bobbin 40 transferd.
1.	1989 - 90	87 - 00
2.	1990 - 91	87 - 53
3.	1991 - 92	87 - 76
4.	1992 - 93	87 - 36
5.	1993 - 94	91 - 06

12) Special Happening :

It is glad to note that during 1985-86 the mill has scored first number in all co-operative spinning mills in Maharashtra. Taking into account of the production efficiency and other things, Maharashtra State Co-operative Spinning Mills Ltd. Bombay has given the mill the first number during the year 1985-86.

During 1990-91, All India federation of Co-operative Spinning Mills Ltd. Bombay an All India level highest institution, has chosen the 'Sahakari Sooth Girni' as the best Spinning Mill in the country and was given the gold medal for the best mill at the hands of Mr. Shivraj Patil, the Chairman of the Loksabha and Balram Jhakhad, Union Minister for Agriculture at New Delhi.

The study of working condition of about 100 Mills was published in which workers, production capacity, profit. Export and Hak yarnn production, prizes have been fixed. Of them the first number prizes for best workers and production capacity and profit these two prizes have been given to the mill.

The mill has broken the record in Sitra Standard, workers production capacity and per bobbin production capacity record. It has broken the record in the countrys co-operative mills and it has established itself an ideal mill in the country.

During 1991-92 All India federation of Co-operative Spinning Mills Ltd Bombay. All India level apex institution has chosen the mill as the best Spinning Mill in the country and it was given the gold medal for the best mill at the hands of Mr. Vyalakateswami, Union Minister for clothing and Mr. H.K. Patil, Ministry of state for clothing, Karanataka State. ✓

The study of working condition of about 100 mills was published in which the first prizes for workers production capacity and net profit were given to mill and the mill also received second prize i. gross profit.

Speaking about the production capacity of a spinning mills, this mill has broken the record in sitra standard, workers production capacity and per bobbbin production capacity record. It has broken the record in the country's Co-operative Mills and has established itself an ideal mill in the country. ✓

During 1992-93 the Maharashtra State Co-operative Spinning Mills federation Bombay, a state level, institution has chosen the mill as 'The Best' mill in the state. In addition to this the mill was chosen as 'the best' in productio. capacity and was given gold medal of the hands of Mr. Ramrao Adik, Finance minister of Maharashtra State and Mr. Shravan Parate Minister of State of clothing.

CHAPTER - III

(B)

Labour welfare activities in Shetakari Sahakari Soot Girni Ltd. Sangola.

Facilities Provided to the Workers :

By recognizing the importance of workers in the progress and development of the spinning mill, the management of the spinning mill has provided some facilities to the workers.

1) Nourishing Food :- It is essential for a worker to have nourished food, at right time, so that he may work with efficiency. By keeping this view in mind the mill has started a scheme of nourishing food. According to this scheme a worker is given three eggs or 170 grams groundnuts or a biscuit pocket. The worker is given one of the above items at the time of lunch. It is given in concessional rate i.e. 50% and the worker has to pay only one rupee and fifty paise. The accumulated amount during the month is deducted from the pay month.

2) Canteen Facility :

There is a canteen facility made available to the workers. The workers have canteen facility so as to have food items in concessional rates. The workers representative have been included in the canteen management. The meeting of the canteen management is

held once a month, so as to keep the good quality of the food items in the canteen.

3) Worker Co-operative Credit Society :

In order to meet the financial problems of the worker, a workers Co-operative credit society has been started. By this scheme the worker can obtain a loan up to Rs. 25000 at 15 percent interest rate. The worker has to pay instalment during 40 months.

4) Co-operative Consumer Store :

The mill has started Co-operative Consumer Store in the mill premises. The workers obtain daily essential commodities at reasonable price and they are of good quality. The total amount of essential commodities is deducted from the workers monthly payment.

5) Medical Facility :

It is absolutely necessary for a worker to have a good health, so as to work with full efficiency so a medical officer Dr. Kelkar has been appointed by the mill. The medical examination of the workers is given free medical aid. If a worker or his nearest relative is injured in an accident & if he needs to go to a hospital, an ambulance is made available.

6) The Rest House :

The mill has constructed a large, special and decent rest house for workers. So as to enable the workers to take rest in the rest

nouse before and after working hours 'In the rest house the mill has provided coloured T.V. set, a fan and beds made available.

7) Dress Facility :

Dress Facility is not provided to all the workers but workers working in maintenance department, in electrical department, peons, drivers and jobbers are given dressess.

8) Attendance Bonus :

The mill has started attendance bonus scheme, so as to enable the workers to attend the work regularly and inculcate t.i. habit among the workers. The advantage is that the production of the mill is not affected. With this view the scheme has undertaken. According to this scheme if a worker attends 25 days in a month, he will have a one days extra payment as an attendance bonus.

9) Library :

It is essential for workers to have library facility, so mill has started a library. The workers borrow books and magazines from the library.

10) Personality Development Facility :

In order to develop the personality of the workers, various competition are aranged on 24th November every year. Kho-kho, Kabbadi, Holley ball and running competitions are arranged. They are given prizes and certificates.

11) Ideal Worker Scheme :

In order to enhance the potentials of the workers, so as the other workers, would be motivated twelve workers are selected as ideal workers. Each worker has been given a prize of hundred rupees present and certificate.

12) Workers Participation in Management :

The success of any enterprise depends upon the workers. By identifying the importance of the workers, some representatives of the workers have been elected on the management. A meeting of every departmental workers representative is held once a month to take the stock of situation. The representatives put forward their instructions, complaints and these instructions are taken into consideration are implemented.

13) Family Planning :

For the sake of welfare of family and nation, family planning is essential. Therefore family planning camps are arranged and guided once of the experts. The workers are given information about family planning.

14) Workers Colony :

The workers will live in the camps of the spinning mill, so the management has built 108 quarters for the workers.

15) Provident Fund Scheme :

According to Co-operative rule, a provident fund scheme has been started. According to this scheme a subscription of 8.33 percent is deducted from workers pay and the propotinnate amount is added by the mill i the P.F. Account.

16) Family Pension Scheme :

The family pension scheme has been undertaken so as to enable the family of the worker to make both ends meet after his death. According to this scheme, a subscription 1.17 percentage is deducted from the payment of the workers and deposited in the family pension account.

17) Gratuity :

According to a Co-operative rule, 4.17 percentage amount of workers payment is deposited in the scheme.

18) Bonus :

The workers have lions share in the profit of the mill. The management wants it to continue, so, bonus is given to each worker at Diwali Festival every year. 24 percent bonus was declared for the year 1993-94.

19) Insurance Scheme :

The workers have to operate machines, so they have to work in dangerous situation. Sometimes, accident occurs and a worker is likely to be seriously killed. So the mill has implemented the scheme to all permanant workers. ✓