

CHAPTER - 1

NERLA VILLAGE AND THE FACTORY

1.1 INTRODUCTION :

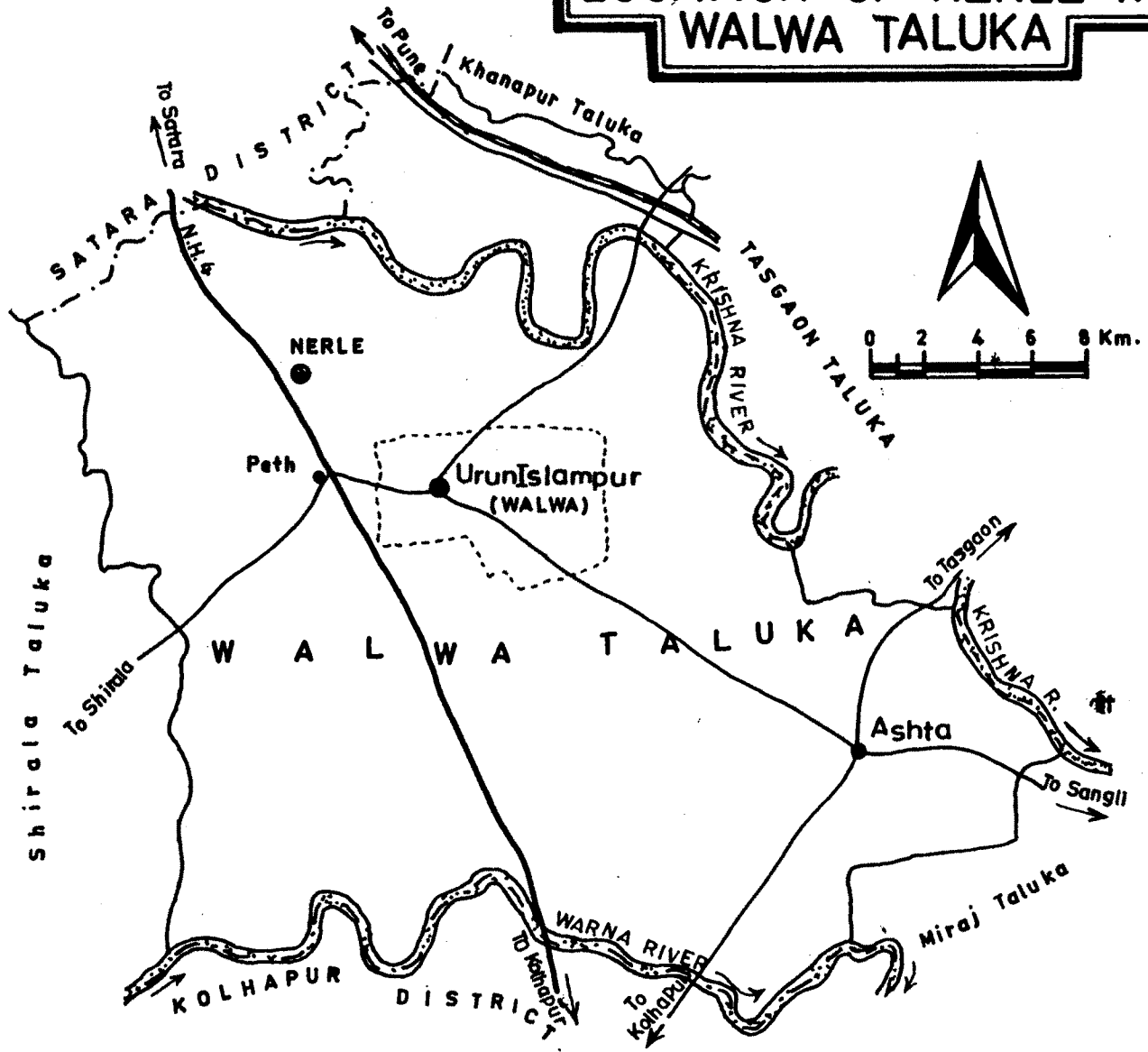
The present chapter is devoted to describe the situation of Nerla village and the establishment and progress of Maharashtra Vidyut Upakarane Utpadak Audyogik Sahakari Society Ltd., Nerla.

1.2 ABOUT THE VILLAGE : NERLA :

Maharashtra Vidyut Upakarane Utpadak Audyogik Sahakari Society Ltd., is located in Nerla village. The village is situated in Walwa Taluka of Sangli District in Maharashtra. The village is on the National Highway No. 4 Poona-Bangalore road. The location of the village is shown in figure 1.1.

The set-up of the village can be seen with the assistance of data published in the Sangli District Census Handbook of 1981. The figures of 1991 for the village were not available. The details regarding some characteristics of the village are presented in Table 1.1.

LOCATION OF NERLE IN WALWA TALUKA



I N D E X

- DISTRICT BOUNDARY
- TALUKA BOUNDARY
- ROAD
- ==== RAILWAY
- ~~~~~ RIVER
- STUDY AREA

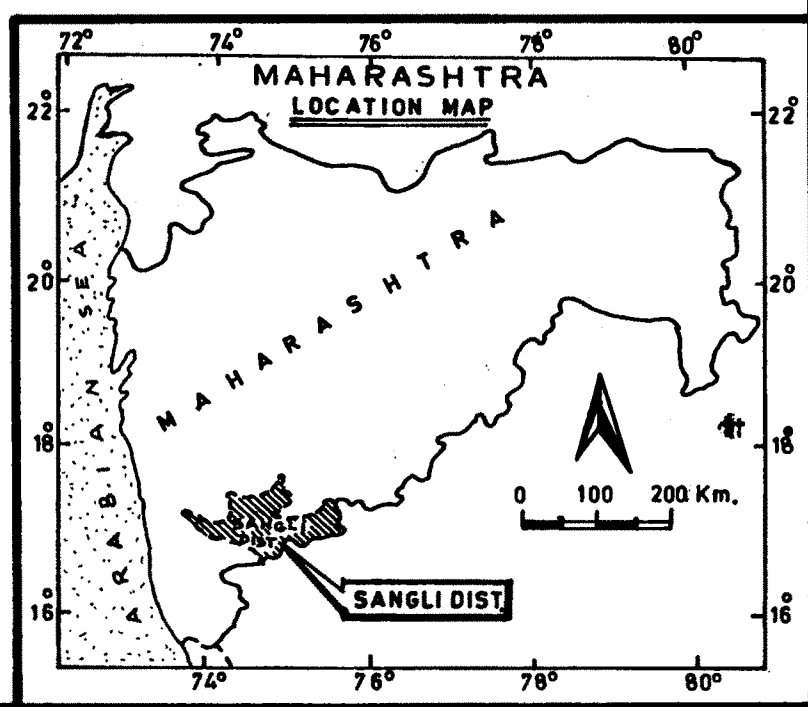


Fig. 1

TABLE 1.1
NERLA : CHARACTERISTICS OF VILLAGE

1)	Total area of the village (In hectares)	-	2,049.00
2)	Total population and No. of households	-	7,949 and 1357
3)	Educational facilities	-	P (3), M.H.
4)	Land use-area under different types of land in hectares :		
	a) Forest	-	240.00
	b) Irrigated	-	279.00
	c) Unirrigated	-	1,176.00
	d) Culturable waste	-	305.00
	e) Not available for cultivation	-	49.00
	TOTAL	-	2,049.00

Source : District Census Handbook : Sangli District, 1981.

The table indicates that Nerla is a small village having educational facilities upto High School. The area under irrigation was less than unirrigated area.

After looking into the above details, the characteristics of population in Nerla village can be seen. This has been presented in Table 1.2.

The table indicates that there was no scheduled tribes population. Majority of the population was literate. In the main workers, the majority of the population were cultivators. This has been followed by agricultural labourers and other workers.

TABLE 1.2NERLA : CHARACTERISTICS OF POPULATION, 1981

Sr.No.		Male	Female	Total
1.	Total population	4020	3929	7949
2.	Scheduled Castes	259	259	518
3.	Scheduled Tribes	Nil	Nil	Nil
4.	Literates	2660	1593	4253
5.	Total main workers	2146	578	2724
6.	Cultivators	1249	149	1398
7.	Agricultural labourers	358	298	656
8.	Household Industry	126	085	211
9.	Other workers	413	046	459
10.	Marginal workers	Nil	006	006
11.	Non-workers	1874	3345	5219

Source : District Census Handbook : Sangli District, 1981.

After looking into the details of Nerla village, it will be appropriate to see about the factory namely Maharashtra Vidyut Upakarane Utpadak Audyogik Sahakari Society Ltd., Nerla. The information about the establishment of the factory and its progress has been noted on the basis of Annual Reports of the factory,¹ articles appeared in the news papers² and the official documents.³

1.3 ESTABLISHMENT OF THE FACTORY :

G.N. Rankhambe, Premchand Shah, N.V. Patil, Dr. V.S. Nerlekar, S.B. Patil and Anandrao Cahvan - the dedicated leaders from the village of Nerla formed an institution named " Maharashtra Vidyut Upakarane Utpadak Audyogic Sahakar Society " on 30th December, 1966, under the able guidance and inspiration of Late Rajarambapu Patil. The institution aimed at starting bulb manufacturing project. The contribution was Rs. 70,000 from 70 members, plus Rs. 43,000 from 43 co-operative institutions, thus total Rs.1,13,000 was the initial share capital. In addition to the share capital, the institution was in need of necessary factors like, building, machinery and proficient artisans. The construction of building started in 1969. The institution received the financial assistance of Rs. 1,72,000 by the government and Rs. 5,00,000 from the National Small Scale Industries Development Corporation.

The actual production started from 27th July, 1973. This is the only co-operative small scale unit manufacturing at present electric bulbs of 230-250 volts and 15, 25, 40, 60 and 100 watts, 3500 to 4000 bulbs a shift. This co-operative unit was formed in the year 1966, Semi Automatic plant received from Japan in 1971 on hire-purchase basis through N.S.I.C. Ltd., New Delhi. The regular production and sale commissioned since 1977-1978 in the trade name "NERLA LAMP". In the beginning 15 workers were employed. The factory was able to produce about 25000 bulbs per month. The production capacity was increased in 1980. The total number of workers were increased upto 35.



BUILDING OF NERLA LAMP FACTORY



1.4 FACTORY AS KHADI GRAMODYOG UNDERTAKING :

Dr. Yashanveer Shinh, the President of the Khadi Ayog visited the factory on 27th March, 1989. Taking into consideration the activities undertaken by the factory, he sanctioned it as an undertaking of Khadi Gramodyog Ayog. The sale of Nerla bulbs came into force at about 80 centres of Khadi Gramodyog. The factory started the second shift with effect from 19th May, 1990 for the fulfilment of an order of one lakh bulbs by Khadi Gramodyog Ayog.

1.5 MEMBERSHIP OF THE FACTORY :

The share capital of the factory for the year, 1991-92 was Rs. 7,30,700. The members were individual members - 259, Co-op. societies - 44, Maharashtra State Government - 1, Nominal members - 5. So the total members were 309.

1.6 PRODUCTION AND FINANCIAL POSITION OF THE FACTORY :

The actual production of bulbs was started in 1973. The details regarding production and financial position of the factory are presented in Table 1.3.

The table indicates that there were fluctuations in the total number of bulbs manufactured and total sale of bulbs. But the comparison of two points 1978-79 and 1991-92 indicates tremendous increase in both these aspects. The factory has gained profits from the year 1978-79 to 1983-84 and 1989-90 to 1991-92. The factory has incurred losses during 1984-85 to 1988-89.

TABLE 1.3PRODUCTION AND FINANCIAL POSITION OF THE FACTORY

Year	Total No. of bulbs manu- factured	Total sale of bulbs (Rs.)	Profit/Loss (Rs.)
1978-79	5,98,350	10,41,229.00	+ 43,279.00
1979-80	6,22,400	11,71,833.40	+ 10,799.00
1980-81	5,61,700	14,43,431.00	+ 38,733.26
1981-82	5,96,330	14,34,726.30	+ 48,299.12
1982-83	5,37,000	13,16,002.00	+ 5,357.44
1983-84	5,13,000	12,21,667.00	+ 5,021.63
1984-85	3,89,300	9,61,494.00	- 75,637.69
1985-86	3,53,200	9,57,917.00	- 1,42,041.16
1986-87	3,60,475	11,07,620.00	- 1,10,125.13
1987-88	4,12,314	12,86,215.00	- 40,032.33
1988-89	4,02,370	15,12,016.00	- 1,80,627.72
1989-90	8,45,838	33,67,972.00	+ 1,63,886.46
1990-91	12,48,397	57,69,100.00	+ 1,03,133.09
1991-92	11,23,353	58,76,911.00	+ 1,16,164.36
	+ Profit,	- Loss	



BULBS AND TUBES PRODUCED IN THE FACTORY



BUILDINGS OF NERLA TUBE FACTORY

The factory has own transport facility for the markets at the neighbouring districts of Satara, Solapur, Kolhapur, Pune, Thane, Ratnagiri, Sindhudurg, Raigad etc. and have a repute for the quality. The day to day products are sold on the spot and the factory faces fending orders from dealers/agents.

The factory has manufactured about 11,23,353 bulbs in the financial year 1991-92. The total sale for the year was Rs.58,76,911/-.

There are three factors which are important for the Nerla factory.

1. Co-operation by the members,
- 2) Easy means of transportation,
- 3) Co-operation by the employees. Due to the mutual co-operation of the management and employees the factory could prosper in the span of few years.

1.7 NEW TUBE PLANT OF THE FACTORY :

The institution has started manufacturing electric equipments in the form of 'Tubes' through the medium of Khadi Gramodyog with the financial support of District Central Co-operative Bank. The daily production of the plant is about 1000 tubes. The estimate of the project was approximately Rs.1 crore. The construction of the building for the proposed plant was started on 19th September, 1990. The actual manufacture of the 'Nerla Tube' was tested on 4th July, 1991. The problem of unemployment in rural area is being solved by way of employing about 60 persons in each shift under this plant.

1.8 EMPLOYMENT SITUATION IN THE FACTORY :

The details regarding employment situation in the factory are presented in Table 1.4.

TABLE 1.4

EMPLOYMENT SITUATION IN THE FACTORY

Year	Total working days of factory	Factory lay-off days	Total number of employees (male/female/official)	Total salary paid Rs.
1983-84	190	109	NA	NA
1984-85	197	85	NA	NA
1985-86	179	114	10+24+10 = 44	1,83,232.77
1986-87	189	90	10+24+10 = 44	1,87,481.66
1987-88	214	79	10+24+10 = 44	3,10,256.49
1988-89	185	98	10+24+10 = 44	3,01,446.29
1989-90	261	38	21+79+10 = 110	4,13,815.30
1990-91	228	55	21+76+17 = 114	6,21,550.95
1991-92	192	28	23+79+16 = 118	6,69,067.00

NA : Not available

The table indicates that the total working days of the factory and lay-off days were fluctuating during 1983-84 to 1991-92. The table also indicates that during the period of 1983-84 to 1991-92, the total number workers has increased and the payment made to employees has also increased except the year 1988-89.

The second shift has been started from 20th March, 1990. As a result, the daily production of bulbs has been increased upto 3,500. The necessary staff has been also increased in proportion of production. The problem of unemployment is solved to some extent by the factory.

The factory aims at providing employment to the people from local area but the artisans and competent persons are not available. So there is no substitution but to train such people. The workers are appointed on completion of training and it is waste of time and money. But the factory has to do such activities for the fulfillment of its sole aim to provide employment in rural area.

1.9 NERLA UDYOG SAMUH :

The factory has set-up 'Khadi Gramodyog Bhavan' and 'Nerla Bazar' a departmental store on 18th August, 1990. In 1990-91 the factory started a store in addition to Electric equipments, and tried to suit the name 'Nerla Udyog Samuh'.

1.10 PROBLEMS OF THE FACTORY :

To set-up and to run the factory on co-operative basis in the rural area is to face different challenges and problems. Even it is difficult to run small scale industry in the rural area. But diligence and alertness were brought into practice by the founder late Mr. G.N. Rankhambe in erecting such a big factory in the rural area. The factory is putting forth the dynamic tradition and work routine laid down by the late founders. There are so many co-operative factories in India, but this is the only co-operative factory in India which manufactures tubes and bulbs.

In the year 1982-83 there were so many market problems due to the depression wave. Naturally there was an enormous increase in buffer stock and it affected the financial position of the factory. Due to the lay-off, the factory had to pay the amount of Rs.47,000.

For the production of bulbs, the raw material of about 20-22 types like Glass Sell, Glass tubing, Caps, Filaments, Lid-wire, Moll-wire, Gas etc. is required. The necessary raw materials have to be brought from other states about 500 to 800 Km. away from the factory. There are few companies which produce these raw-materials but the products of the same companies are available in the market for sale. So these companies have their monopoly of sale and raw material. The required raw material to Neria factory is not available inspite of advance payment for the raw material. Therefore the factory remains closed. It affects the production capacity of factory.

The factory has paid the purchase tax of Rs. 87,000/- for the period of 1981-83 and 1985. It has an adverse effect on profit.

Though this is financially aided co-operative unit by the Maharashtra State Government it has to pay sales tax, excise duty and income tax and therefore face financial up-sets in running the unit.

1.11 FUTURE PLANS OF THE FACTORY :

A. The factory is registered as undertaking of Khadi Gramodyog in the year 1988-89. As a part of Khadi Gramodyog undertaking 'Hand Paper Project' has been sanctioned by the Ayog in the year 1991-92. The paper project will come into force soon after completion of labour training.

The project will be able to provide job opportunities to about 100 unemployed persons in rural area. The daily production of the hand paper will be about 1.5 tonnes.

B. The factory is looking forward to manufacture strips, and chaika, the necessary materials for the manufacture of tubes. The factory aims at becoming self-sufficient by way of producing raw material for the tubes like glass shell, tubing, lid wire. The factory desires to provide more and more opportunities for the promising people in rural area in the future.

C. The factory 'Shriram Industrial Co-operative Soap and Detergent Powder' has been registered. The building required for the same is under construction. Like Nerla bulb and tubes, Nerla Soap and Detergent Powder will be available in the open market shortly.

D. The factory wants to set-up some industries in the form of process on agricultural products in the future.

The endless efforts made by 'Nerla Udyog Samuh' are praiseworthy from the view point of employment to the needy persons in the rural area.

After looking into the details about the village Nerla and the factory Maharashtra Vidyut Upakarne Utpadak Audyogik Sahakari Society Ltd. Nerla, it will be appropriate to take review of the literature, and this has been done in Chapter-2.

REFERENCES

1. Annual Reports of the factory : 1984, 1990-91 and 1991-92.
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