

CHAPTER - I

THEORETICAL FRAMEWORK

- 1.1.1 Introduction to the Subject.
- 1.1.2 Environmental Change
- 1.1.3 Inside The Factory
- 1.1.4 Definitions
- 1.1.5 Perspective of Indebtedness
- 1.1.6 Causes of Indebtedness
- 1.1.7 Evils of Indebtedness
- 1.1.8 Effects
- 1.1.9 Measure For Dealing With Problem
Of Indebtedness
- 1.2.1 Historical Background Of The Factory
- 1.2.2 Objectives
- 1.2.3 Salient Features Of The Factory
- 1.2.4 Structure Of The Management.
- 1.2.5 Welfare Facilities
- 1.2.6 Cooperative Society
- 1.2.7 Residential Facility
- 1.2.8 Working Hours
- 1.2.9 Payment Facility
- 1.2.10 Production And Market Position
- 1.2.11 Government Assistance

R E F E R E N C E S

CHAPTER - I

THEORETICAL FRAMEWORK

1.1.1 INTRODUCTION TO THE SUBJECT :

Presently the working force in industry is increasing, both qualitatively and quantitatively along with industrial development. "As a result of industrialization, a dynamic change has occurred in the economic and industrial structure of the world. The modern forms of industrial technology and organization are no doubt regarded as man's best hope for overcoming poverty and improving the material conditions of life, but almost everywhere industrialization has touched off a conflict between old and new forms attitudes and human values."¹ However, so many problems took place some of which are in existence till now. Many problems took place due to economic conditions which had roots in social and personal causes as well. In this connection indebtedness is regarded as one of the greatest problems of workers, in Indian industry.

Moreover, formerly, the town people had their own profession or occupation. As a result, they were least interested in joining services in industries. Therefore, the industrialists were forced to make the labour force available mainly from villages.

"Consequently Ahmedabad and Kanpur workers came from the local districts, but the metropolitan centres like Bombay and Calcutta had to attract them from villages for their betterment."² However,

the villagers have less attraction for the towns but financial worries compel them to rush for employment. Whereas in Western countries, people have specific attraction for towns due to urbanization. "The UNESCO studies in India show that 99 per cent of the villagers who migrated to the towns do so out of poverty and because of the pressure on the land caused by the traditional family system and laws of inheritance."³

So the traditional occupations have been changing rapidly. The agriculturally oriented societies have been changing gradually and industrial civilization is emerging, with the advancement of science and technology. Any industry needs workers, but the concentration of the population in the towns and migration from village have created new problems.

Majority of industrial workers in India have been found in debts during their service period. Many of them are born in debt and die in debts. However, some of them try to repay their debts by working hard. Really speaking, the debts remain as they are due to more obligations in their lives. As compared to western countries, the indebtedness among the industrial workers is very high in India. Primarily it should be due to the spendthriftness. The workers find it really difficult to save from the poor wages that they are entitled to receive. It results in borrowing money from the money-lenders as and when required. Naturally they are in

debts and are victimized by the money-lenders. They borrow the sums mostly for the purpose of sickness, unemployment, celebration of festivals, marriages and funerals etc.

As an evidence to this, the labour investigation committee (1946) has pointed out that there is a tendency among industrial workers to spend maximum amount unwisely on insignificant things. However, we should acknowledge the fact that worker is the part and parcel of the society. Being a member of society, he needs to observe the customs and beliefs which often lead him in debts. On the day of his payment he is compelled to pay the instalment and interest on the loan borrowed. Due to all these facts, he fails even to satisfy his basic needs.

1.1.2 ENVIRONMENTAL CHANGE :

Environment determines one's personality. Therefore, it is vital to give due weightage to the study of environmental change in the present study. " At first it has been noted that the industrial worker is living in an environment that is strange to him. There is a tremendous difference between the environment of his village home and the place at which he works. He finds himself an artificial character in industrial life and finds himself surrounded by strange traditions or no traditions at all.

Ultimately village life has homogeneity. There is a normal sequence of work and play. The family helps him when he is in difficulties. But in the town the whole tempo of his life is changed. However, in the large scale industries, people have to rely on others for their livelihood. "Similarly they may have to work under unpleasant conditions they may have to accept wages which are not enough for their modest way of living. Due to these reasons labour problems emerge."⁵

In the allround development of workers, the city life is a main obstacle. He has to face various problems i.e. from proper housing to proper food. There are additional problems of sickness and diseases. Thus the Royal Commission on Labour observed " Such life of city brings with it new and insidious temptations. Alcohol offers its dangerous relief to fatigued body and an over stimulated mind while gambling has an attraction not previously experienced, for many have few healthy distractions open to them."⁶

1.1.3 INSIDE THE FACTORY :

"The worker needs to work in the same place during his office hours. To one's regret the worker is compelled to work in an unfavourable condition. So, some times he may be economically better off in the town, but emotionally and spiritually he is degraded. Life becomes meaningless for him."⁷

Naturally, it leads him to mental fatigue and physical strain. Many workers find it necessary and convenient to go home for the celebration of religious ceremonies and occasion. So he remains absent often and often and this results in low income of the worker and loss of production for that unit.

Ultimately the management has to sanction leave without pay if other types of leaves are not at his credit. However, he finds it difficult to manage his household affairs due to financial worries. He finds no source of income to run his family. Still, on the basis of the prospective income on joining the services he finds it work to borrow, money from other sources. Gradually he habituates himself with such borrowing which really leads him to indebtedness. Therefore it is of acute need to consider some of the definitions of indebtedness given by the experts in the field.

1.1.4 DEFINITIONS :

- 1) Oxford English Dictionary defines it in the following way :
 - " Owing money" OR
 - " Owing gratitude"
- ii) Webster Dictionary defines indebtedness as :
 - " Being under or having incurred debt, required to repay loan, obliged by something, received for which gratitude or restitution in-due"

iii) According to C.W. Airne debt means :

" Anything one Owes."

iv) The standard Desk Dictionary by Funk and Wagnalls defines as :

"Legally obligated to pay for values received,
indebt or morally obligated to acknowledge."

v) A Hornby and H. Weikfield Dictionary defines indebtedness as :

"Owing money or gratitude."

In addition to these it is worth to consider the terms like debt, debtor and worker for the clearcut understanding of the indebtedness problem. Therefore, the terms have been precisely and concisely noted as below.:

i) DEBT :

Debts mean any liability in cash or kind, whether secured or unsecured, due from a debtor whether payable under a decree or order of any civil court or otherwise.

ii) DEBTOR :

Debtor means a marginal farmer, rural labourer, rural artisan or worker, who is in debt or income of such farmer, labourer and artisan does not exceed two thousand and four hundred rupees per annum., but does not include a small farmer.

iii) WORKER :

Worker means a person who earns his livelihood through any profession, calling or trade in urban area and resides therein and also a person who is working in any factory either in a rural or in an urban area and whose income does not exceed rupees six hundred per month and rupees four hundred per month in urban area and elsewhere.

1.1.5 PERSPECTIVE OF INDEBTEDNESS :

According to the Royal Commission on Labour "Many individuals are born in debt and it evokes both admiration and regret to find how commonly a son assumes responsibility for his father's debt and obligation which rests on religious and social but seldom on legal sanction."⁸ It means indebtedness passes from generation to generation.

In brief one of the important features of the economic life of industrial workers in India is that they are generally indebted and live in debt and die in debt. It is one of the main causes for the low standard of living of industrial workers. It shows that indebtedness arises due to many reasons." In most industrial centres, it has been estimated that not less than two third of the labouring population is in debt and that the amount of the debt commonly exceeds three month's wages."⁹

The study of indebtedness of the workers mainly from Bombay, Ahamedabad and Nagpur etc. is duly considered to judge the situation. "According to the labour investigation committee in Bombay city 63 per cent of the worker families were in debt and the debt varied between Rs. 10 to Rs. 700.00 . In Ahamedabad 57 per cent of the worker families were in debt and the debt per family was estimated to be Rs. 266. In Solapur the average debt preferably was Rs. 234. Moreover, in Nagpur, an enquiry made by the provincial government in 1941-1942 revealed that about 82 per cent of the families were in debt and the overall average of the debt being Rs. 139 which was more than four times the average monthly income. Similarly, in Madras a family budget enquiry in 1935 showed that 90 per cent of the worker's families were in debt. Besides in Mirjapur in carpet weaving industry 70.8 per cent of the workers were found in debt and even in Shrinagar, 82 per cent of the workers were found in debt. In Bidi manufacturing industries in Bombay, every worker was found in debt. Likewise in Sugar Industry 78.5 per cent workers were in debt. In Kanpur the percentage of the workers in debt was 66.4. In Delhi the percentage of workers in debt was 82.2."¹⁰ The data shows that indebtedness has become the part and parcel of workers lives which is to be universally acknowledged. The Labour Bureau has proved that heavy indebtedness is a serious problem among factory workers of India. It is found that 78 per cent of workers in India are in heavy debts.

Moreover, the study of families in debts is given due weightage to acknowledge the significance of indebtedness. "According to Labour Bureau, in Bombay, on the basis of sample survey, about 64 per cent of the families were in debt, whereas, in Solapur about 86 per cent of the families were in debt. In Calcutta about 41 per cent whereas in Jamshedpur 60 per cent of the families were in debt. So far as tea plantations were concerned in Madras about 72 per cent of the families were in debt. Whereas in Cochin about 86 per cent of the families were in debt. Recent enquiries by the Labour Bureau into the family budgets of industrial workers in some states, also revealed the existence of heavy indebtedness and it was found that in iron and steel industry in 1966 majority of the workers were in debt."¹¹

The comparative study of the Indian workers with the workers in Japan, U.S.A. and U.S.S.R. has shown that the Indian workers are fully indulged in satisfying their basic needs hence indebted. Whereas the workers in U.S.A. and U.S.S.R. are found well settled within a short span.

1.1.6 CAUSES OF INDEBTEDNESS :

As we have already seen, the Indian workers, both industrial and agricultural, are born in debt, continue to live in debts and die in debt. There are, many causes of this heavy and melancholy (gloomy) situation of indebtedness. The authorities in the field

have given various causes. We should keep in mind that they are closely related to each other and are hereby separated only for convenient consideration. Therefore, the various causes are considered in brief as they play an important role in determining the problem of indebtedness.

I) ANCESTRAL DEBT :

The Royal Commission has pointed out that ancestral debt is an important cause of indebtedness. "An industrial worker like a farmer is born in debt, lives in debt, dies in debt and thus passes on his burden of debt to his son. In other words debt passes from one generation to another."¹²

"The Indians generally feel that any form of indebtedness holds him in spiritual bondage to the creditor. A debt is "Rina" a spiritual bond. It must be repaid by the man himself or by his children. Else, the soul of the original debtor is tied to the chains of "Samsara" i.e. birth and death. The debtor will be compelled to repay in one form or another his obligations here or in lives to come. This fear is essentially at the root of the workers general acceptance of the burden of inherited indebtedness. Till recently the sentiment in this regard was so deep and are some that person who could not clear their debts sold themselves into bondage and even pledged to their creditors the services of their sons."¹³

II) EXPENDITURE ON FESTIVALS AND SOCIAL CEREMONIES :

Another cause of indebtedness of industrial workers in the country is the expenditure on festivals and various social ceremonies such as marriages, funerals etc. In these matters the individual is often helpless because in a country like India custom is not only king but tyrant as well.

In marriage ceremony the bride is bedecked with ornaments and it also involves the payment of dowry by the girl's father or guardian to the boy or his parents. The marriage ceremony requires parties. As Indian workers are superstitious by nature they believe in the ceremonies like christening and marriage. It does not give the total picture of Indian culture and beliefs. The observance of rituals and festivals is one more cause of indebtedness.

III) INDEBTEDNESS :

It is curious to notice that indebtedness, having gone into debt, the worker finds that he cannot repay the amount borrowed. Interest goes on mounting. When the worker is harassed by the money lender, he borrows from some other source to pay off his debt. In most cases, money-lenders charge very high interest. It is profitable for the money-lender to keep alive the loan and continue to receive interest from the worker. The poor worker is

exploited by the money-lenders who charge a high rate of interest and manipulate accounts in their own interest. Sometimes the thumb impression of the illiterate industrial worker is taken on a pro-note. An enquiry into the indebtedness conducted by Dr. Agnihotri shows that the rate of interest varies from 12 per cent to 300 per cent per annum. Thus the worker falls into debt and increases problems for himself.

IV) THE LITIGATION :

"Some times litigation is also responsible for indebtedness particularly in case of seasonal workers. It has been found that workers fight among themselves on very small things and get themselves involved in litigation and waste huge amount of money"¹⁴

V) UNFORESEEN EXPENDITURE :

The most important cause may be said to be the want of any margin left for meeting expenditure of any unforeseen character.

"The wage levels of Indian workers have been low and consequently it has not been only difficult but rather impossible for the workers to save anything out of their meagre earnings. Hence, they get into the clutches of money-lender whenever they fall sick or become unemployed for a short period or in case of any other such emergency. However, the family budget enquires of

the Government have revealed that often highly paid workers are more indebted than the poor paid one. Yet, it cannot be denied that though low earnings of the workers in the country may not be the only cause of indebtedness, but that is an important cause of their debt."¹⁵

VI) POVERTY, LOW INCOME AND HIGH EXPENDITURE :

Poverty is sometimes the cause and sometimes effect of indebtedness. However, it is often both due to the cause of low-income and high expenditure. The expenditure for many reasons like large size of family, social and religious ceremonies, old loan repayment etc. are the main causes of indebtedness. The income is low because very often the worker is exploited by the employer and due to lack of effective trade union organization, poor performance of workers resulting due to lack of skill, inadequate machinery poor morale, poor health etc. Thus he can't get or enhance his efficiency. He does not get adequate salary or wages. The only source for him is to borrow money. Increase of dearth is also a main reason for it.

VII) MIGRATORY CHARACTER OF WORKERS :

The migratory character of industrial labour is also responsible for the borrowing of money by the worker who does not possess adequate means to support himself as soon as he joins an

industrial establishment. Sometimes he has to borrow for the initial bribe and the expenses of first few weeks during which he is paid no wages by the employer.

VIII) INDUSTRIAL HAZARDS :

"There are certain industrial hazards as a result of which indebtedness of industrial workers also increases. For instance, occupational, sickness, unemployment, dismissal and industrial disputes are some of the causes which increase the old debt of the worker."¹⁶

IX) WORKERS PERSONAL HABITS OR ADDICTIONS :

This is a very important cause bringing the worker in debt often and often. It is true that the wages of the worker are very less and there is a necessity to adjust his expenditure to family's living with his slender income.

Therefore, he cannot limit the expenditure. The worker has got very trouble from this expenditure as well as he is victimised by emotional problems. So, many a time, he makes or does unnecessary consumptions.

" This extravagant habits of the worker induce him to borrow money to meet his expenditure on drinking and gambling etc."¹⁷

X) ECONOMICAL CAUSES :

A) LOW WAGE LEVEL :

Amongst the economic cause of indebtedness, inadequate wages take the first place. The wage level of industrial worker is very low. There is hardly any scope for saving so the worker complains that the remuneration is miserable. We can summarise the causes of low wages of Indian workers, wherever, they are as mentioned below.

- a. Poor performance of the workers resulting from lack of skill inadequate machinery, poor morale, poor health etc.
- b. Exploitation by the employers.
- c. Abundant supply of labour.
- d. Use of women and child labours.
- e. Weak trade union organization.
- f. Tradition of low wages.

B) RECURRING ADVANCE :

The recruitment of labourers in India is made through intermediaries called by different names viz. Jobber, etc. The jobber generally profits financially by the exercise of his power. He charges on commission basis while appointing the worker or giving opportunity to work in different situations.



C) HIGH RATE OF INTEREST :

According to Rege Committee Report, the rate of interest charges on loans varied from 12 per cent to 15 per cent. Survey report 1956 mentioned that 75 per annum was most common rate of interest. In some cases one anna per rupee per month is charged. The industrial workers in Bihar were found paying 100 per cent to 150 per cent of rate of interest which kept them permanently indebted.

XI) PERSONAL CAUSE :

WORKER'S PERSONAL HABITS :

We have also to take into account the personal habits of worker. Habits of drinking and gambling, are also responsible for indebtedness. Indebtedness is the situation which demoralises the worker. It makes him irresponsible and generally involves him in more expensive habits. Since workers are involved in thier own circle and friends, they entertain each other frequently. Not having any organized recreation, they often go to cinemas. Besides most of the workers smoke or chewbetel leaves or habituated to both. On these items quite a fair proportion of their income is spent.

1.1.7 EVILS OF INDEBTEDNESS :

Indebtedness clutches the progress of an individual or his family. "The facile credit has proved to be a curse for the workers

and the gravest drawback of the system is the case with which they can borrow large sums, which they can seldom hope to repay. Their illiteracy makes it very difficult for them to develop any business sense and to think of the future and their inability to make any calculations, compels them to accept whatever figure of increased indebtedness mentioned in by their moneylenders. The money-lenders usually do not receive the full interest regularly. So they add the arrears of interest to the original loan of a small sum and it develops in a few years into a large and permanent debt. In many cases the money-lenders take from the workers and their families the whole of their wages on payday and give them back a portion just sufficient for bare-substance. Many hard working operatives are compelled to forgo some of the necessities of life in order to pay merely, the interest without any chance of being able to pay of any portion of actual debt. Thus indebtedness is a great check to the efficiency of labour. The indebted workers putting forth an extra efforts merely benefit their money-lenders. The worker who is under debt constantly feels worried, loses self confidence, develops an inferiority, complex and is not able to put this best in his work."¹⁸ The magnitude of landless labourer also increases as a result of indebtedness. When indebtedness results in losing the right of ownership in his ancestral land the worker loses permanent source of income or economic security. And on the other hand there is increase of a landless classes of workers with

no alternative sources of employment.

Indebtedness severely affects the standard of living creates frustration in the mind of worker and his family socially as well as morally. And it affects also social moral and educational development of his children. As a result of debt a worker finds himself unable to provide proper food and clothing to his children.

Indebtedness increases the rate of absenteeism and labour turnover. When the instalment of debt he remains absent from the industry on the payday. Hence the rate of absenteeism increases. Sometime whenever the workers cannot pay the large amount of loan, he leaves the earlier job and joins another firm, and sometimes he leaves the very town and seeks employment somewhere else. It increases the rate of labour turnover.

"Indebtedness also mostly affects the growth of trade unionism. They are not in condition to pay their trade union subscription regularly."¹⁹ Hence indebtedness is one of the important causes of the weak bargaining power of the Indian workers. Thus indebtedness affects the workers from all sides.

Moreover, indebtedness affects the personal life of worker. Due to his inability of repaying debt, he participates in antisocial activities such as murder and quarrel. They don't

participate in social activities. They even don't save money for the welfare of their children. In short, they suffer not physically only but psychologically also.

1.1.8 EFFECTS :

- i) Most important effect of indebtedness is that the worker who is under debt constantly feels worried, loses self confidence, develops an inferiority complex and is not able to put his best in his work.
- ii) Another important effect of indebtedness is that they feel very sad. They have no interest in their life. They are always worried. There is no enthusiasm. They do not work efficiently.
- iii) Increase in the rate of absenteeism is the direct effect of indebtedness. In some cases, we found that they remain absent on the payment day. They feel that the money-lender is likely to come on the day of payment for compulsory collection of his dues.

1.1.9 MEASURES FOR DEALING WITH PROBLEM OF INDEBTEDNESS :

The Royal Commission of Labour recommended a number of measures which were mainly directed to see that the credit facilities of the worker should be curtailed and it may become impracticable for the money lender to advance money beyond the capacity of the

worker. The existing legislative measures adopted by the Central and State Government are as under.

i) MEASURES AGAINST ATTACHMENT TO WAGE :

The commission first discussed the question of attachment of wages, under the code of civil procedure. A large number of workers were excluded from the category of workers and money-lenders were permitted to use employers as their debt collectors by securing orders for the attachment of wages. Hence to remove this comparative security offered by the law to money-lenders, the commission recommended that the salary and wages of every work man receiving less than rupees three hundred per month be exempted entirely for the possibility of attachment. In order to imply this recommendation the Government of India amended the civil procedure in 1908 and provided exemption of the attachments of salary and wages of all workers getting less than rupees hundred per month.

ii) MEASURES AGAINST IMPRISONMENT FOR DEBT :

The Royal Commission of Labour recommended that there was a legal provision under which any male debtor was liable to be arrested and imprisoned for a period of six months in execution of a decree for a payment of more than Rs. 50. and for six weeks

in the case of smaller sum. The commission held that the threat of imprisonment was a very powerful weapon in the hands of money-lenders. The commission therefore recommended to abolish this legal provision. The Panjab Government passed the Panjab relief of indebtedness Act 1934, under which debtor cannot be imprisoned unless he refuses to pay the debt within his capacity. Similarly the Government of India amended the civil procedure code in 1936. The amendment prevented imprisonment for non payment of debt.

iii) GROCERY STORES :

Cost price grain and grocery shop could be started. In this shop the articles which would be useful for the consumption of workers and their families could be sold, so as to minimise indebtedness among workers.

iv) CONSUMER'S COOPERATIVE SOCIETY :

Workers should establish consumer cooperative societies in factories, through which they could get loan easily at reasonable interest rate. Thus, the such established cooperative societies shall help workers in many ways to maintain. Then only, they shall not borrow money from money-lenders on high interest rate.

v) LOAN FACILITIES :

There is mostly an acute need to extend loan facility to workers in factories; to avoid indebtedness that has become habitual among them. In such circumstances, the factory owners should try to extend the loan facility, to the employees on either instalment basis or advance basis. It will certainly create a sense of belonging among employees concerned to establish business climate.

1.2.1 HISTORICAL BACKGROUND OF THE FACTORY :

Generally, Konkan region is considered as backward region as compared to other regions of the state of Maharashtra. Similarly, the area from Kankavli to Ratnagiri is regarded as backward in land position. It has been observed that the inhabitants suffer due to this land position which is unfavourable. However, the region is lucky to have the renowned personalities like Dr. Chintamanrao Deshamukh, Lokamanya Tilak and Barrister Nath Pie.

On the other hand, it is a matter of regret to know that 80 per cent of the population migrates mainly to Bombay and other cities in the state. This high migration is found due to their genuine need from the Government. Besides, they are compelled to migrate in their early youth to seek either Government or private services else where in the state. As a result, of this, the overall

picture and impression of the region is rather miserable.

So as to remedy out the situation, the Government of Maharashtra has been paying particular attention to the region for its allround progress and development. Therefore, the Government has been giving due consideration to industrial development for the upliftment by sanctioning various projects time to time. Moreover, much scope is being given to small scale industries to avoid migration and achieve the target of employment guarantee and industrial development.

The small and large scale industries have been established time to time either by the Government or private agencies in the region. The Ratnagiri district has been presently divided in to two districts. viz. Ratnagiri and Sindhudurg. Now a days the industrialist are fortunate enough to establish new industries in this region due to special facilities extended by the Government. Even then, the Government has established the project "Sahyadri Glass Works Ltd., Karul" in the year 1977 in the remote village Karul in Sindhudurg district of Konkan region. The village, Karul is situated on Kolhapur/Sawantwadi highway about midway between Kankavli and Phondaghat.

The project location decision at Karul was influenced by two main factors. Firstly, the availability of the Silica Sand belt

in the form of raw material at Phondaghat only eight Kms. away from the location. Secondly the market potential due to the existing distilleries at Goa, Kolhapur and Bombay.

Similarly, the Government of Maharashtra has provided financial aid to this factory through SICOM, MSFC and DCKL agencies. Thereafter, the factory has been started on Cooperative basis. The factory has an employment generation potential of 515 workers. It covers an area of twenty two acres. In this new venture, Mr. S.L.Bhagawat had lions share. He stands to be the inspiration for the project. Besides the due credit goes to Mr. Madhu Mangesh Karnik in establishing the factory. Moreover, Mr. N.N.Shirgaonkar the Architect, Mr. Momin the Geologist also played a vital role for the starting and development of the factory.

1.2.2 OBJECTIVES :

Every establishment has a set of objectives to be achieved in the long run. Likewise, the Sahyadri Glass Work Factory had has some major objectives which are to be highlighted and considered in the present study. They are infact not hard and fast. Still management has been keen on achieving the objectives as furnished below. :

1. To ensure employment to the average and educated people in the area.
2. To minimise the percentage of migration and tendency of migration.

3. To bridge over the problem of unemployment.
4. Wise utilization of available raw material.
5. To bring about allround development of the Konkan region.
6. To improve the standard of living of the regional people.
7. To encourage industrial development in the region even under unfavourable circumstances.

1.2.3 SALTENT FEATURES OF THE FACTORY :

1. The factory premises cover the area of twenty acres with provision for extension and plantation.
2. The village Karul is about the midway between Kankavli and Phondaghat. The nearest Banks for transaction purpose are situated at Phonda and Kankavli.
3. Availability of transport facility as the site of the factory is on Sawantwadi Kolhapur highway.
4. Availability of plenty of raw material in the area at minimum cost.
5. A secondary school in Karul and Junior, Senior Colleges in Phondaghat and Kankavli are convenient for educational facility
6. Medical facility is extended free of charge by arranging weekly visits of the medical practitioners.
7. A free of charge film show is regularly organized once in a week for the entertainment of the workers.

1.2.4 STRUCTURE OF THE MANAGEMENT :

The management plays a vital role to determine the success of any enterprise. Therefore, it is found worth to make a mention of the significant role in running the factory smoothly. The Board of Directors comprises of the seven members either or selected to achieve the target of the factory. They are as specified below.

BOARD OF DIRECTORS :

i) CHAIRMAN :

Managing Director of the Konkan Development Corporation Ltd.,
Bombay.

ii) DIRECTOR :

A member from the Director Board of DCKL.

iii) DIRECTOR :

A member from the Director Board of DCKL.

iv) DIRECTOR :

The Collector of The Sindhudurg District.

v) DIRECTOR :

A member from the Directors Board of The MSFC.

vi) DIRECTOR :

A member from the Directors Board of SICOM.

vii) DIRECTOR :

A representative of the Share Holders of the Factory.

In addition to this the details of the Board representative are considered and here by enclose for necessary information.

BOARD REPRESENTATIVE

Plant Manager (5)	Financial Controller (5)	Personal Manager (5)	Marketing Manager (5)	
Melting Eng. (1)	Production Eng. (1)	Maintenance Eng. (1)	Quality Controller (1)	Process Inventory Manager (1)
Accounts Sup. (1)	Wages Sup. (2)	Costing Sup. (1)	Purchase Sup. (1)	Bill Collection Sup. (2)

PERSONNEL MANAGER

Labour Welfare Officer (5)	Vehicles Sup. (5)	Security Sup. (3)	Estate Sup (3)	Time Officer (2)
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MARKETING MANAGER

Salesman Karul (2)	Salesman At Larges (2)	Salesman At Bombay (2)
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NOTE : The numbers represent the level of supervisory in the Organization.

DCKL : Development Corporation of Konkan Ltd.

MSFC : Maharashtra State Financial Corporation.

SICOM : State Industrial Corporation of Maharashtra.

1.2.5 WELFARE FACILITIES :

The employees of any factory are entitled to avail the facilities like statutory and non-statutory in addition to the various welfare schemes. Therefore, in the present research work, these facilities are duly considered.

STATUTORY :

The statutory welfare facilities like canteen, lunch and recreation hall, first aid box, washing, drying and wetting and welfare officer are found extended.

NON-STATUTORY :

Similarly the non-statutory welfare facilities like recreation, medical, housing and cooperative society have been found extended.

1.2.6 COOPERATIVE SOCIETY :

Moreover, even the cooperative society has been established in the year 1984 to assist the workers time to time. It has four hundred registered members. It is being run on the principle of no loss, no profit. Almost all the necessary commodities from grocery to clothes and household articles are sold here at the reasonable rate for the welfare of the workers.

1.2.7 RESIDENTIAL FACILITY :

An individual needs the basic facilities of food, clothing and shelter. So as to satisfy the basic needs of the workers, every management is in favour of extending residential facility to the workers concerned. Karul being a village the management has given due scope to this facility. As a result the workers find it very convenient in all respect. It is well equipped with water, light and latrine facilities etc, accomodating 64 families on priority basis. Even the said facility is extended to the administrative staff. It is a supportive action of the management to give financial assistance to the staff.

1.2.8 WORKING HOURS :

It is found that there are three shifts of eight hours duration respectively. Besides, the factory act is strictly observed for the smooth working of the factory.

1.2.9 PAYMENT FACILITY :

The worker's Union of the factory has been attached to the Bombay Labour Union, Bombay to avail all the facilities time to time. Accordingly, the management of the factory has made a contract with the Bombay Labour Union to give justice to the workers concerned. The tenure of the contract is for three years. The provision in the contract in case of payment is in the range

of minimum Rs. 300 hundred and maximum Rs. 1150. In addition to this, the workers can avail the facility of production bonus according to their skill. This provision encourages skilled work and avoids breakage of bottles hence leads to quality production.

1.2.10 PRODUCTION AND MARKET POSITION :

Being the glass factory, it mainly manufactures various types of bottles in different sizes. They are mainly of liquor, beer, juice and milk bottles. The said bottles are being sold in Goa, Bombay, Kolhapur and Madras market. The factory finds it difficult to satisfy the increasing demand. The quality bottles are manufactured. Besides, the market position is found favourable to promote sale of goods.

However, the raw material and chemicals required for the production is to be transported from other states of the nation like Gujarat etc. Therefore, the cost of production is found high resulting in minimum profit. Naturally due to non availability of such costly raw material on time, the production rate is decreased.

1.2.11 GOVERNMENT ASSISTANCE :

Presently, the factory is on the verge of being a sick factory due to many problems. Therefore, the Government has taken

a lead to extend cent percent finance to the factory.

In view of the selected problem of indebtedness among the factory workers, the researcher found it worth to study the pros and cons of the responsible factors. Therefore, in the present study, he reviewed the extent, causes, evils, measures and aims and objectives of the problem of indebtedness in the limits of theoretical frame work.

Similarly, the historical background of the area chosen finds due scope in the study. Hence, the overall background in the light of settlement, objectives, salient features, structure of the management, welfare facilities, cooperative society, residential facility, working hours, payment facility, production and market position, Government assistance etc. have been duly considered to give authenticity to this study

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