

C H A P T E R - III

PROFILE OF THE UNIT

THE ICHALKARANJI CO.OPERATIVE SPINNING MILLS LIMITED

ICHALKARANJI

- 3.1 INTRODUCTION TO THE ORGANISATION
- 3.2 OBJECTIVES OF ICOSPIN
- 3.3 PROCESSING IN THE SPINNING MILL.
- 3.4 YARN PRODUCTION
- 3.5 PRODUCTIVITY
- 3.6 MODERNISATION
- 3.7 TECHNOLOGICAL SOPHISTICATION
 - a) Computerisation
 - b) Energy Conservation
- 3.8 FUTURE PLAN
- 3.9 A TAKE OVER OF AMARAVATI MILL
- 3.10 SOCIO ECONOMIC DEVELOPMENT.
 - a) Allotment of Products.
 - b) Social Welfare
 - c) Educational Activities
 - d) Garden and Aforestation.
- 3.11
 - a) Management of ICOSPIN.
 - b. Financial Position of ICOSPIN
 - c. Personnel Aspects of ICOSPIN
 - d. Trade Union and Its Role.

**PROFILE OF THE UNIT (ICHALKARANJI CO.OPERATIVE
SPINNING MILLS LIMITED, ICHALKARANJI)**

3.1 INTRODUCTION TO THE ORGANISATION ■■■

The ICHALKARANJI CO.OPERATIVE SPINNING MILLS LIMITED, ICHALKARANJI (ICOSPIN) was promoted in June 1974 by Late Dattajirao Kadam, a well known social worker and leader of Maharashtra. As he was enjoying tremendous faith in the people, share Capital of Rs. 16.00 lacs was collected on the very first day. This amount was ceremoniously submitted to the then Chief Minister of Maharashtra late Vasantraodada Patil. Soon Government of India issued necessary Industrial Licence on 15th June, 1974.

Dattajirao Kadam entrusted the responsibility of Chairmanship to Shri Kallappaanna Baburao Awade with a view to give scope to others especially younger generation. Mill was registered on 18th June, 1974 under the Maharashtra Co-operative Societies Act, 1960 vide Registration No. K.P.R./P.R.G./(1)2.

The ICOSPIN is situated at village Shivanakwadi, i.e. in between Shiradwad and Borgaon. Its location starts after Karnataka Border area ends. There is a Roadway of Ichalkaranji - Chikodi and Nipani. Shivanakwadi comes under the Shirol Taluka, District

Kolhapur. It is situated at a distance of 7 Kms from Ichalkaranji, i.e. Border area of Hatkanangale and Shirol Taluka.

On 26th December, 1974 the **Bhumipujan** Ceremoney was performed at the auspicious hands of late Honourable Shri Yashawantravaji Chavan the then Minister for foreign affairs, Government of India, under the presidentship of late Shri Dattajirao Kadam.

The opening ceremoney of the mill was performed on 10th May 1978 by Late Shri Yashawantravaji Chavan under the presidentship of late Shri Vasantdada Patil, the then Chief Minister of Maharashtra State and in the esteemed presence of Honourable Shri Sharadrao Power and Shri Udayasingrao Gaikwad.

BASIC PROJECT :

Industrial licence No. IL. S.No. 265 (74) was granted to ICOSPIN on 15th June 1974 to acquire and instal 25080 spindles. It has been successfully implemented.

MINI EXPANSION :

some space and power were available in the Ring Frame department of the main-factory of the basic project. Hence with a view to utilise the same, mini expansion of 3648 spindles has been made and has commenced production from 10th September 1979.

SUBSTANTIAL EXPANSION :

In addition to the Basic-Project and Mini-Expansion(i.e. A unit) substantial expansions have also been implemented by may 1983 of 21080 spindles and in dec. 1984 an expansion of 6624 spindles was made and successfully implemented (i.e. B Unit) As such, the mill ICOSPIN with total installed capacity of 56432 spindles was set up with best performance and sound financial position.

3.2 OBJECTIVES OF ICOSPIN :

the objectives of the mill are to carry on the business of cotton spinners and supply yarn to the share holders, Individuals, weavers, weavers Co-operative societies and others, in proportion to the respective shareholdings. With this aim in view, the mill society was registered. Distinguishing features of ICOSPIN can be briefly stated as under :

1. It is consumers Co-operative society.
2. It is for the benefit of handloom and power loom weavers.
3. Yarn distribution in proportion to their share holdings.

3.3 PROCESSING IN THE SPINNING MILL :

The spinning mill is a mechanical processing unit, where the cotton (basic raw-materials) is

converted into yarn, of various ranges of count. Viz from 6's to 120's. The yarn count is broadly divided into carded and combed yarn. The production pattern depends entirely upon the market requirements. There is vast and uncertain fluctuation in yarn and cotton prices. This industry has to face slump & peak periods depending upon the existing situation of the market at that time.

The size of the unit is measured in terms of installed spindles. Spindle is nothing but a specific assembly rotating at enormous speed at the range of 12000 to 18000 Rotations Per Minute (i.e. R.P.M.) The Technical performance productivity or profitability is estimated and expressed on the basis of spindles only i.e. production per spindle, profits per spindle etc.

With constant rennovation, modernisation support by research and development in the manufacture of yarn, now a days Roto spinning Machines are incepted in the convential spinning units. The size and profitability is measured in terms of profit/production per Roter.

**THE FLOW SHEET OF MECHANICAL PROCESSING OF
RING SPUN AND ROTO SPUN**

| Ring Spun | | Roto Spun | |
|----------------------|--|----------------------|-------------------|
| Stage of preparation | Nature of Product. | Stage of preparation | Nature of product |
| Blow Room | Lap/Flok | Blow Room | Lap/Flok |
| | | | |
| Carding | Card Silver | Carding | Card Silver |
| | | | |
| Drawing | Drawings Silver | Drawing | Drawings Silver |
| | | | |
| Comber | By pass for carded varieties used for combed varieties | All by pass | All by pass |
| | | | |
| Drawings | To prepare combed Silver | All by pass | All by pass |
| | | | |
| Inter/speed Frame | Roving bobbin | O.E.Frame | O.E.Yarn |
| | | | |
| Ring Frame | Yarn Bobbin | O.E.Frame | Chees |
| | | | |
| Winding | Yarn Cone | By pass | " " |

Totally it is a labour oriented industry.

N.B.: In Open End preparation S.F. , R.F. Winding processes are totally eliminated, saving undue labour requirements.

in the Ring spun process, the production stage is completed at Ring Frame. But to have a marketable convenient package, the yarn bobbin are mended together and converted into yarn cone, on winding Machines, generally called as winding.

At this post spinning preparation, the yarn is cleared by curtailing the inherent yarn fault, to make the yarn in suitable form for further processing. The yarn cones are schematically (Systematically) packed in hessian or paper boxes, according to requirements. Generally 50 cones net, is a standard packing sent to the market (N.B. Count - Counts is a number of hanks of 840 yards each weighing in one pound. Hank is nothing but a length of 840 yards, eg. If 10 pieces of 840 yards are weighing one pound then the yarn number of count is termed as 10 and denoted by 10's as per British system of counting.)

3.4 YARN PRODUCTION

After considering the marketing conditions and requirements of powerloom weavers, Mill is producing Carded, Combed, semi combed, splaied etc. types of single as well as doubled warp yarn production of 20's to 100's count's. In this mill nineteen different types of counts yarn ranging 20's to 100's has been included. This yarn is produced out of 56432 spindles i.e. the

capacity of the mill In the smilar way in mill, on the open End Roter's 6's , 10's, 14's, and 16's count's yarns are also produced.

3.5 PRODUCTIVITY ■■■

Statement of Production capacity Utilisation and productivity.

Table No. 3.1

| Sr.No. | Particulars | Stan dard | 1988.89 | 1989.90 | 1990.91 | 1991.92 | 1992.93 | 1993.94 |
|--------|---|--------------|---------|---------|---------|---------|---------|---------|
| 1. | Spindle utilisation (In percentage) | - | 94.11 | 94.21 | 94.28 | 94.45 | 94.09 | 96.23 |
| 2. | Productivity Index | 100.00 | 86.65 | 86.85 | 86.70 | 85.81 | 84.72 | 81.90 |
| 3. | Machine Productivity Index. | 100.00 | 88.26 | 89.23 | 87.98 | 88.36 | 90.58 | 94.99 |
| 4. | 40'Count's average production (gross) | 88.81 | 80.79 | 81.29 | 87.07 | 79.43 | 81.98 | 87.69 |
| 5. | Average Recovery of cotton(in %) | - | 79.36 | 79.66 | 78.26 | 78.44 | 79.61 | 75.90 |

From the above table it is cleared that the spindle utilisation, productivity Index, Machine Productivity index, 40' count's average production and average recovery of cotton of the ICOSPIN are up to the mark. It is also confirmed that in the ICOSPIN good relations has been maintained so that the efficiency of the workers has improved by which productivity has also been maintained well.

3.6 1.MODERNISATION ::

Right from the very beginning concreted efforts are being made to maintain quality production of yarn. As such certain critical machinery and equipment of the basic project which are continuously running round the clock since August 1977 needed replacements. In this context, with a view to take advantage of the Textile Modernisation Fund (TMF) a scheme has been worked out in consultation with experts in the year 1988. Total cost of the scheme is estimated to Rs. 3.90 crores for which the Industrial Development Bank of India (IDBI) in participation with other financing institutions sanctioned April 1988 concessional Term Loan of Rs. 3.10 crores. ICOSPIN had provided remaining amount of Rs. 80.00 lacs from its own resources. This has enabled the mill to acquire Spinlab-900', the most modern and sophisticated testing laboratory besides LMW's one Blow-room line, eight crystallising H.P. cards, eight DO-6 Draw Frames, one 1400 Speed Frame, four High Speed Combers, one Open End Rotor Spinning Machine, three Textoll Eoubler Winders, overhead Travelling Cleaners for Ring Frames, Positive Cleaners for speed frames, splicers and stuber ganges for winders etc. The said modernisation scheme has almost ben completed and total expenditure of Rs. 3.74 crores has been incurred till March 1991.

3.7 TECHNOLOGICAL SOPHISTICATION ■■■

a) Computerisation :

ICOSPIN has introduced Micro-Computer (HCL 8/C-2) ever since 1982. Recently, in the year 1990 it has been replaced by I.DM/AT IDM/XT which comparatively is a modern computer of greater capacity, yarn Billing, Share- Accounting Pay-Roll, Raw material Accounting, Deposits etc., systems have been computerised. Attempts are being made for computer-application in costing, stores and Inventory control etc.

b) Energy Conservation :

ICOSPIN has successfully endeavoured in reducing its energy consumption from 4.93 units in 1985-86 to 4.27 in 1992-93 units required for production of one kilogram yarn of 40's count. This achievement is mainly due to replacement of cotton tapes by synthetic tapes, V-belt drive by flat belt drive, Standard electric motors by high efficiency motors, reduced wharve diameter spindles, synthetic lubricants for Ring Spindles and Beble Cp-20 energy saving devices for Mill's lighting etc.

3.8 FEATURE PLAN ■■■

ICOSPIN has worked out a plan for modernisation cum expansion involving a capital outlay of Rs. 30

crores. Out of which Rs. 11.30 crores shall be required for modernisation and remaining 18.70 crores for establishing a separate unit equipped with most modern spinning machinery for additional 15120 spindles. For this purpose it has taken financial help from I.D.B.I., I.C.I.C.I. and IRBI . These financial institutions have sanctioned Rs. 7.70 crores as long term loan for modernisation.

As mentioned above, ICOSPIN has a plan of expansion of 15,120 spindles in additional separate unit, with a view to export the yarn because the best quality yarn has a good market in foreign countries. At present a construction of this unit is going on from Jan 1992. Its estimate is Rs. 2.51 crores. The effort is going on to complete the construction of this building by next few months.

3.9 A TAKE OVER OF AMARAVATI MILL ❏

The Amaravati Growers Co-operative Spinning Mills Ltd., has been established by cotton growers in 1961 with installed capacity of 25336 Spindles. However, it was continuously incurring losses. In spite of rehabilitation programme accumulated losses exceed Rs. 8.00 crores by November 1987 and the mill had to be closed. ultimately, Government appointed Liquidator in April 1988 and Liquidation proceedings started. Labour

union approached the State Government with a request to explore possibilities of restarting the mill by all possible ways.

Government received offers from various Parties including private entrepreneurs. At last ICOSPIN with a vowed intention of mutual help and Co-operation besides providing employment opportunities in that areas accepted the challenge of making that mill a viable unit. Accordingly, Government has entrusted the Amaravati Mill to ICOSPIN for a period of seven years on lease basis. After through over hauling and repairs ICOSPIN has restarted the Amaravati mill by the end of the year 1989 present, working and performance of the mill is satisfactory. This is a unique example in the Co-operative sector of restarting and making viable a closed Co-operative unit situated at a distance of more than 700 kms.

3.10 SOCIO ECONOMIC DEVELOPMENT ■■■

a) Allotment of Product :

ICOSPIN is a Co-operative spinning mill of powerloom weavers. Weavers consume yarn. Hence, it is consumers co-operative and weaver members are eligible for allotment of yarn produced in mill. As a retentional policy, monthly quota system is normally followed whereby, eligible weaver members get allotment at a

reasonable price. Invariably such prices are concessional as compared to market prices, but it adequately covers cost of production besides moderate surplus. Quality yarn and concessional prices are the main advantages available to the constituent weaver members.

b) Social Welfare :

ICOSPIN as a successful co-operative organisation accepts social responsibility to promote and to extend active co-operation to educational cultural, industrial etc. developmental activities and programmes in the neighbouring area. A separate fund viz. DEVELOPMENT FUND is created for utilisation towards such social welfare activities. ICOSPIN has been looking towards betterment of community life in this area. As the existing mill is situated in the rural area, it has provided employment opportunity to near by villagers.

c) Educational Activities :

Though Ichalkaranji and its precinct is well known for decentralised textile industry. There was no facility available for scientific training and technological education in textiles. None of the then polytechnics, science and engineering colleges, nor even the Shivaji University, Kolhapur had any faculty providing education in the textile technology. Hence,

ICOSPIN took lead and with active assistance from various co-operative in this area established in November 1981 an educational society namely **DATTAJIRAO KADAM TECHNICAL EDUCATION SOCIETY**. The Society is registered under the Bombay public Trusts Act 1860 and The Societies registration Act 1860. The aims and objects of the said society are to arrange for imparting instructions and to extend facilities for education especially in the technical and scientific fields of textiles, engineering, medicine and management. To attain these objects the society has established one TEXTILE INSTITUTE since 1982. This institute started functioning with DIPLOMA IN TEXTILE TECHNOLOGY (D.T.M.) Besides the said diploma four Degree Course in textiles and one Degree Course in Electronics are now being conducted by the Institute. Recently, the society has also started one Industrial Training Institute, One KINDERGARTEN (K.G.) one HIGH SCHOOL one B.Ed College. As the financial assistance from the Government is not available, members of the D.K.T. Education Society are sharing the expenditure. Thus, ICOSPIN has so far contributed Rs. 22.37 lacs besides loan assistance of Rs. 11.15 lacs.

Moreover, substantial contributions are also given from time to time to the Chief Minister's Relief

Fund and various other funds for the benefit of flood, fire famine, earthquake, affected victims.

d) GARDEN AND AFFORESTATION :

Atmosphere of a textile mill especially that of a spinning unit is generally supposed to be fully infested and polluted with dust, fluff and smoke. However, ICOSPIN is an exception. it is very clear from the adjoining lands that the site of ICOSPIN was originally barren, undulated and rocky. however present environment is very pleasant mainly because of elegant lay out of rose garden lawns and other number of flowering trees and plants. There are more than 280 different varieties of Indian and Foreign roses. Roses from this garden have won number of award and honours, such as KING OF THE SHOW, QUEEN OF THE SHOW, BEST BLOOM GENERAL CHAMPIONSHIP in various competitive exhibitions held from time to time at Calcutta, Lucknow, Hyderabad, Bangalore, Bombay, Pune etc. Certain new hybrid varieties of roses developed by natural mutation have also been spotted out and cultivated in this garden. These new hybrid varieties have duly been registered with the AMERICAN ROSE SOCIETY which is the International Registering Authority appointed by International society for Horticultural Sciences, U.S.A.

ICOSPIN has undertaken massive programme of Afforestation. Since 1985, More than one lac trees of different varieties such as EUCALYPTUS, TEAK, ACASIA, SILVER - OAK, ASHOKA etc., have been planted in about fourty six acres of land COCONUT, MANGO, CHIKKU, BER (ZIZIPHUS) POMEGRANATES etc. fruit bearing plants have also been cultivated in eight acres. However, adequate water supply is a problem. Hence domestic effluent, sewage from lavatories and water Closets etc. of the mill are being used after **ANAEROBIC FILTERATION** treatment, as such waste water and land have been properly utilised in abating pollution and enrichment of environment. The Government of maharashtra has, therefore, awarded to ICOSPIN its very first VANASHRI PURASKAR for the year 1989.

3.11 a) **MANAGEMENT OF ICOSPIN**

The mill is registered under the Maharashtra Co-operative Act 1960 on 18th June, 1974. The Board of Directors are elected for every five years.

Late Dattajirao Kadam - A veteran local leader Chief Promotor of ICOSPIN was also responsible for industrial growth and economical development of this area, mainly on co-operative basis. He had entrusted responsibility of Chairmanship with a view to give

scope to other especially younger generation, to Shri kallappa Baburao Awade, who is a well organisor, Lok Neta and Sahakar Maharshi in Maharashtra and particularly in Kolhapur district, since the beginning, he was a Chairman of the ICOSPIN. There after Shri K.B. Awade keeping in tradition with his preceptor - late Dattajirao Kadam relinquished chairmanship in April 1988 and Directorship in February 1991. Shri S.R. Wadinge was the Chairman from 1988 to February 1991. Since February 1991 Shri M.B. Bidkar and Shri M.A. Bhide both young Co-operators are showldering responsibilities of Chairmanship and Vice-chairmanship respectively.

At present following persons who are eminent and well experienced in business line are acting as Directors of the ICOSPIN

BOARD OF DIRECTORS

| | |
|----------------------------------|---------------|
| Shri Madhukar Baburao Bidkar | Chairman |
| Shri Mohan Anantrao Bhide | Vice-Chairman |
| Shri Shripati Ramchandra Wadinge | Director |
| Shri Prakash Kallappa Awade | Director |
| Shri Makbul Nabisaheb Mullani | Director |
| Shri Satyanarayan Sitaram Dalya | Director |
| Shri Vasant Krishnaji Dattawade | Director |
| Shri Suresh Maruti Bavane | Director |

GOVERNMENT NOMINEES :

Shri S.J. Kotamire Director
Regional Dy.Director, handlooms
Powerlooms and Textiles, Solhapur

Shri A.V.Vaikar Director
District Dy.Registrar, Co.Operative
Societies, Kolhapur

EX. OFFICIO :

Shri Shankarrao J.Nimbalkar M.Director
B.Sc.Dip.L.W.

Representative of SC/ST

Shri SaJashiv Krishna Dopare Director

Representative of Weaker Section

Shri Shrikant Ganesh Bugad Director

Representatives of Women

Mrs. Raghutai Ramchandra Kasar Director

Mrs. Shantabai Dattatraya Suryavanshi Director

I.D.I.B.I. NOMINEE

Shri G.S. Patankar, M.Com. LLB, CAIIB Director

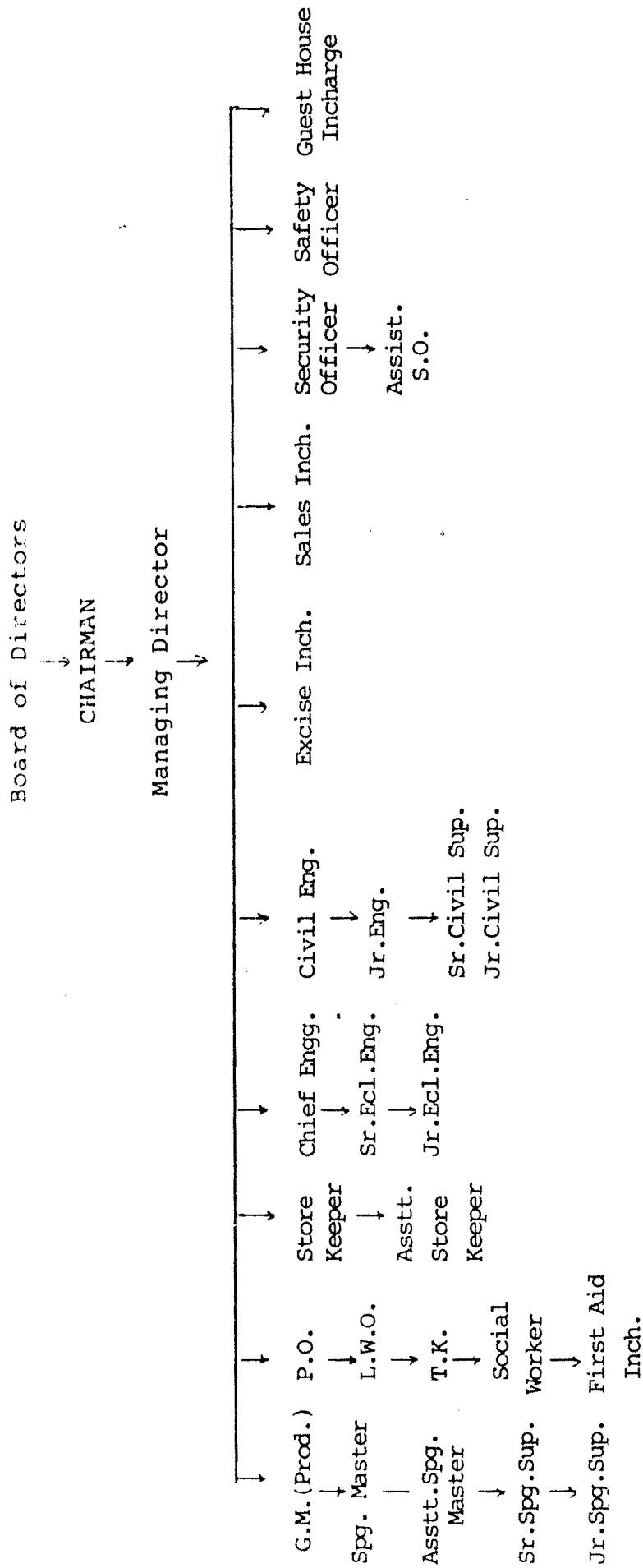
M.S.C. BANK NOMINEE

Shri R.S. Patil Director

Workers' Representatives

Shri Madhukar Shivappa Kamble Director

Shri Ganapati Sidhu Jong Director

ORGANISATION CHART

3.11 b) **FINANCIAL POSITION OF ICOSPIN :**

It will be observed that the following comparative analysis P & L Accounts and Balance Sheets of last 5 years that financial condition of the ICOSPIN is very sound and that profit shows ever increasing trend which is clear from table No. 3.1 and 3.2.

COMPARATIVE TRADING AND PROFIT AND LOSS ACCOUNT OF ICOSPIN FOR THE LAST FIVE YEARS (in laes)

TABLE No. 3.2

| Particular | Base year 1989-90 | 1989-90 | % Increase or decrease | 1990-91 | % Increase or decrease | 1991-92 | % Increase or decrease | 1992-93 | % Increase or decrease |
|---------------------------------|----------------------|---------|---------------------------|---------|---------------------------|---------|---------------------------|---------|---------------------------|
| Sales | 2482.94 | 3000.76 | 20.21 | 2611.63 | 5.18 | 4196.65 | 69.00 | 4704.14 | 89.46 |
| Closing Stock | 23.86 | 66.72 | 179.63 | 161.10 | 575.18 | 215.54 | 803.35 | 199.04 | 734.20 |
| Total (1) | 2506.80 | 3076.40 | | 2772.73 | | 4412.19 | | 4903.18 | |
| Opening Stock | 79.45 | 23.87 | -69.95 | 66.71 | -16.03 | 161.09 | 102.75 | 215.54 | 171.29 |
| Cost of Production | 2047.57 | 2430.25 | 18.69 | 2347.99 | 14.67 | 3768.60 | 84.05 | 4533.33 | 121.40 |
| Selling & Distribution expenses | 31.46 | 45.53 | 44.72 | 31.50 | 0.03 | 54.43 | 73.42 | 69.90 | 122.18 |
| Total (2) | 2158.48 | 2499.65 | | 2446.20 | | 3984.12 | | 4818.77 | |
| Gross Profit(1-2) | 348.32 | 576.83 | 65.60 | 326.53 | -6.26 | 428.07 | 22.90 | 84.41 | -75.77 |
| Dividend Received | .35 | .38 | 8.57 | .06 | -82.85 | .45 | 28.57 | .40 | 14.28 |
| Interest Received | 9.05 | 6.39 | 29.39 | 13.65 | 50.83 | 10.32 | 14.03 | 19.29 | 113.14 |
| Miscellaneous Receipts | 8.87 | 11.50 | 29.65 | 7.05 | 20.52 | 10.61 | 19.62 | 43.13 | 386.25 |
| Total (3) | 366.59 | 595.10 | | 347.29 | | 449.45 | | 147.23 | |
| Interest Expenses | 113.54 | 103.60 | -8.75 | 83.29 | -26.64 | 134.87 | 18.79 | 182.69 | 60.90 |
| Commitment charges | 000.92 | .60 | -34.78 | .15 | -83.70 | .04 | 95.65 | - | - |
| Administrative Expenses | 43.21 | 63.26 | 46.40 | 70.49 | 63.13 | 97.62 | 125.92 | 99.91 | 131.22 |
| Other Over board | | | | | | | | | |
| Miscellaneous Expenses | 16.53 | 27.42 | 65.88 | 19.94 | 20.63 | 27.51 | 66.42 | 28.25 | 70.90 |
| Labour Welfare Expenses | 4.92 | 4.97 | 26.79 | 7.28 | 85.71 | 9.80 | 150.00 | 8.17 | 108.42 |
| Education Fund | 0.05 | 0.05 | - | 0.10 | 100.00 | 0.10 | 100.00 | 0.10 | 100.00 |
| Depreciation | 131.64 | 145.49 | 8.86 | 90.65 | -32.17 | 114.17 | -14.57 | 106.60 | -20.23 |
| Capital redemption Reserve Fund | 7.50 | 7.50 | - | 7.50 | - | 7.50 | - | 7.50 | - |
| Investment Allowance Reserve | 2.10 | 16.61 | 690.95 | - | - | - | - | - | - |
| Total (4) | 321.41 | 369.50 | | 279.40 | | 391.41 | | 433.22 | |
| Net Profit/Loss | 45.18 | 225.60 | 399.34 | 67.89 | 50.27 | 57.84 | 28.02 | -285.99 | -533.00 |

ANALYSIS OF SOME SELECTED ITEMS :

The above table of Trading and Profit and Loss Account for the last five years considering the 1988-89 year as the base year it indicates that --

- a) The percentage of Sales has increased in the year 1989-90 by 20.21% in 1990-91 by 5.18 in 1991-92 by 69% and in 1992-93 by 89.46% .
- b) The percentage of Gross Profit has increased in the year 1989-90 by 65.60% in 1991-92 by 22.90% and it has decreased in the year 1990-91 by 6.26% and in 1992-93 by 75.77%.
- c) The percentage of expenditure on Labour welfare is in ever increasing trend. It has increased in the year 1989-90 by 26.79% in 1990-91 by 85.71% in 1991-92 by 150% and in 1992-93 by 108.42%.
- d) The percentage of Net Profit has increased in the year 1989-90 by 399.34% in 1990-91 by 50.27% in 1991-92 by 28.02% and in the year 1992-93 it has decreased by 533%.

It observed from the above comparative analysis of the Trading and Profit and Loss Account of last five years of some selected items that, the sales figures over the base year are in ever increasing trend. Gross Profit is also in increasing trend but in some cases it has decreased. The expenditure of Labour Welfare is also in ever increasing trend.

COMPARATIVE BALANCE SHEET OF ICOSPIN FOR THE LAST FIVE YEARS (In lacs)

TABLE No. 3.3

| Particulars | Base year | | % Increase | | % Increase | | % Increase | | % Increase | |
|---|-----------|----------|-------------|---------|-------------|---------|-------------|---------|-------------|---------|
| | 1988-89 | 1989-90 | or decrease | 1990-91 | or decrease | 1991-92 | or decrease | 1992-93 | or decrease | 1992-93 |
| 1. Gross Fixed Assets | 1461.61 | 1612.18 | | 1773.34 | | 1886.39 | | 1992.73 | | |
| Less: Depreciation * | 960.93 | 1090.73 | | 1181.38 | | 1295.55 | | 1396.72 | | |
| Total | 455.68 | 521.75 | 14.50 | 591.96 | 29.91 | 590.84 | 29.66 | 596.01 | 30.80 | |
| 2. Investments | 12.50 | 14.65 | 17.20 | 15.63 | 25.04 | 16.48 | 31.84 | 23.16 | 85.28 | |
| 3. Current Assets | 900.76 | *1356.37 | 50.58 | 1395.01 | 54.87 | 2445.75 | 171.52 | 2172.22 | 141.15 | |
| 4. Current Liabilities | 638.09 | 893.09 | 35.77 | 944.36 | 43.50 | 1867.38 | 183.76 | 1964.03 | 198.44 | |
| 5. Surplus of Current Assets over current Liabilities (3-4) | 242.67 | 462.88 | 90.74 | 450.65 | 85.70 | 578.37 | 138.34 | 208.74 | -13.98 | |
| 6. Net Tangible Assets (1+2+5) | 710.85 | 999.28 | 40.58 | 1058.24 | 48.37 | 1185.69 | 66.80 | 847.91 | 19.28 | |
| 7. Long Term Loans and Deposits | 435.25 | 472.78 | 8.62 | 456.24 | 4.82 | 518.35 | 19.09 | 459.00 | 5.46 | |
| 8. Net Worth (6-7) | 275.60 | 526.50 | 91.04 | 602.00 | 118.43 | 667.34 | 142.15 | 388.90 | 41.11 | |

Net Worth Represented by

| | | | | | | | | | |
|----------------------------------|--------|--------|--------|--------|--|--------|--|--------|--|
| a) <u>Share Capital</u> | | | | | | | | | |
| Equity (Members) | 167.03 | 166.60 | | 166.58 | | 166.66 | | 166.51 | |
| Preference (State Govt.) | 177.60 | 177.60 | | 177.60 | | 177.60 | | 177.60 | |
| Non Refundable Deposit (Members) | 73.55 | 75.12 | | 75.12 | | 75.12 | | 75.12 | |
| b) <u>Reserves & Surplus</u> | | | | | | | | | |
| Capital Reserve | 0.55 | 0.59 | | 0.72 | | 0.72 | | 5.86 | |
| Other Reserve | 291.15 | 315.27 | 322.77 | 322.77 | | 330.25 | | 337.77 | |
| Less: Accumulated Loss | 434.28 | 208.68 | | 140.79 | | 82.96 | | 368.95 | |
| Total | 275.60 | 526.50 | | 602.00 | | 667.34 | | 388.91 | |

* INCLUDES INTEREST AND FREE SALES TAX.

From the above table of Balance Sheet for the last five years, considering 1988-89 as a base year shows that --

- a) The percentage of Gross Fixed Assets over the base year has increased in the year 1989-90 by 14.50%, in 1990-91 by 29.91%, in 1991-92 by 29.66%, and in 1992-93 by 30.80%.
- b) The percentage of Investments over the base year has increased by i.e. in the year 1989-90 by 17.20%, in 1990-91 by 25.04% , in 1991-92 by 31.84%, and in 1992-93 by 85.28%.
- c) The percentage of current Assets has increased in the year 1989-90 by 50.58% in 1990-91 by 54.87% in 1991-92 by 71.52% and in 1992-93 by 141.15%.
- d) The percentage of current liabilities has increased in the year 1989-90 by 35.77% in 1990-91 by 43.50% in 1991-92 by 183.76 and 1992-93 by 198.44%.
- e) The percentage of surplus of Current Assets over current liabilities has increased in the year 1989-90 by 90.74% in 1990-91 by 85.70% in 1991-92, by 138.34% and in the year 1992-93 it has decreased by 13.98%.
- f) The percentage of Net Tangible Assets has increased in the year 1989-90 by 40.58%, in

1990-91 by 48.87%, in 1991-92 by 66.80% and in 1992-93 by 19.28%.

- g) The percentage of Long Term loans and Deposits has increased in the year 1989-90 by 8.62% in 1990-91 by 4.82% in 1991-92 by 19.09% and by 1992-93 by 5.46%.
- h) The percentage of Net worth has increased in the year 1989-90 by 91.04% in 1990-91 by 118.43% in 1991-92 by 142.15% and in 1992-93 by 41.11%.

It is observed from the above comparative analysis of the balance Sheets of last five years that financial condition of the ICOSPIN is very sound and that the net worth shows ever increasing trend. The percentage of Net Profit is in increasing trend but for the year 1992-93 there is net loss. It is due to absenteeism problem and increase in the over time wages to the workers and also a slack conditions of market.

3.11 c) **PERSONNEL ASPECT OF ICOSPIN :**

i) **Personnel Policy adopted :**

This mill has adopted the suitable personnel policy. Generally officers are of two types i.e. Technical and non Technical. They are recruited by press advertisement and personal search and contract. Supervisors are also recruited by press advertisement, internal circular, Notice Board and personal search and contacts. Secondly on the basis of their experience and knowledge. Thirdly clerical staff is recruited by press advertisement, personal interview. Workers are appointed on the basis of interview, experience, education, knowledge and their medical check up etc.

It is found that, this mill adopts a good personnel policy. This is one of the reasons of good industrial relation between management and employees.

ii) **MAN POWER :**

The total working staff strength of ICOSPIN Ltd. Ichalkaranji is 1960. Out of 1960 the number of workers is 1800 remaining is the office staff.

TABLE 3.4

CLASSIFICATION OF MANPOWER

| Sr.No. | Type | Ranks/Designation | Number | Total |
|--------|-----------------------|---|--------|-------|
| 1) | <u>Office Staff</u> | | | |
| a) | Managerial | Managing Director | 1 | |
| b) | Administrative | All Departmental Heads & Assistants | 17 | |
| c) | Technical Staff | General Manager (Production) Chief Engineer Civil & Electrical Engineer, Spinning- masters, computer programmer etc.. | 10 | |
| d) | Supervisory Staff. | All Sr. and Jr.Super- visors. | 24 | |
| e) | Clerical Staff | All Clerks | 84 | |
| f) | Others | Telephone operators Drivers and peons etc.. | 24 | 160 |
| 2) | <u>Working Class</u> | All Workers | | |
| a) | Permanent | | 800 | |
| b) | Badali | | 950 | |
| c) | Trainee | | 50 | 1800 |
| Total | | | | 1900 |

Source : Registers : Time Office Department of ICOSPIN
(i.e. on Muster).

Departments and working staff strength in ICOSPIN i.e. standard strength required for average count 45's per day.

TABLE No. 3.5

| Sr.No. | Department | Unit 'A' | | | | | Unit 'B' | | | | |
|--------|----------------------------|-----------------------------------|------------|------------|------------|------------|-----------------------------------|------------|------------|------------|------------|
| | | Number of Persons (Shift wise) | | | | | Number of persons (Shift wise) | | | | |
| | | General | I | II | III | Total | General | I | II | III | Total |
| 1. | Blow room | 16 | 2 | 3 | 3 | 24 | 18 | 3 | 5 | 5 | 31 |
| 2. | Carding | 16 | 9 | 9 | 9 | 43 | 3 | 7 | 7 | 7 | 24 |
| 3. | Comber | 3 | 6 | 5 | 5 | 19 | 4 | 6 | 6 | 6 | 22 |
| 4 | Speed Frame | 7 | 14 | 14 | 14 | 49 | 6 | 14 | 14 | 14 | 48 |
| 5 | Ring Frame (Production) | - | 55 | 55 | 55 | 165 | - | 39 | 39 | 39 | 117 |
| 6 | Ring Frame | 30 | - | - | - | 30 | 28 | - | - | - | 28 |
| 7 | winding | 3 | 52 | 52 | 52 | 159 | 2 | 25 | 25 | 25 | 77 |
| 8 | Open Ends | - | - | - | - | - | - | 2 | 2 | 2 | 6 |
| 9 | Doubling | - | - | - | - | - | 5 | 23 | 23 | 23 | 74 |
| 10 | Cone packing | 15 | - | - | - | 15 | 7 | - | - | - | 7 |
| | total | 90 | 138 | 138 | 138 | 504 | 73 | 113 | 121 | 121 | 434 |
| 11 | Work Shop | 15 | - | - | - | 15 | 5 | - | 1 | 1 | 7 |
| 12 | Electrical | 4 | 3 | 2 | 2 | 11 | 2 | 1 | 1 | 1 | 5 |
| 13 | Humidification | - | 2 | 2 | 2 | 6 | - | 1 | 1 | 1 | 3 |
| 14 | Watch & Ward | 2 | 6 | 6 | 6 | 20 | - | 1 | 1 | 1 | 3 |
| 15 | Garden | 8 | - | - | - | 8 | 9 | - | - | - | 9 |
| 16 | Civil | 16 | 1 | 1 | 1 | 19 | 10 | - | - | - | 10 |
| 17 | Guest House | 2 | - | - | - | 2 | 1 | - | - | - | 1 |
| 18 | Spinning General | 3 | - | - | - | 3 | 3 | - | - | - | 3 |
| 19 | Store | 1 | - | - | - | - | 1 | - | - | - | - |
| 20 | General Excise | 6 | - | - | - | 6 | - | - | - | - | - |
| | Total | 57 | 12 | 11 | 11 | 91 | 30 | 3 | 4 | 4 | 41 |
| | Grand Total | 147 | 150 | 149 | 149 | 595 | 103 | 122 | 125 | 125 | 475 |

Total of 'A' Unit and 'B' Unit strength = 1070

Source - Register Time office Department of ICOSPIN.

3.11 d) **TRADE UNION AND ITS ROLE :**

In ICOSPIN, there is one registered and recognised Trade Union. its name is **Rastraeya Soot Kamgar Sanghtana**. It is affiliated to Indian National Trade Union Congress (INTUC). It is registered under the B.I.R. Act 1946. Total number of members of this union is 1900. They contribute Rs. One per month from their wages or salary. The relations between trade union leaders and management are cordial. Management calls trade union leaders for every meetings, whenever important matter regarding workers is to be discussed. There are two Workers Directors representing on behalf of workers.

The workers participation in management and the industrial relation between workers and management in this mill is satisfactory and healthy. This will be of great help to the mill. So this mill has got respect and Name in co-operative sector.