

**Relative Importance of Factors influencing Factory Sickness: A Case Study of Government Silk Weaving Factory, Rajbagh**Shahid Ali¹ & Dr. Asif Iqbal Fazili²¹Research Scholar, School of Business Studies, Islamic University of Science and Technology, J&K, India²Sr. Asst. Professor, School of Business Studies, Islamic University of Science and Technology J&K, India**Abstract**

The Industrial sector of Jammu & Kashmir state is still lagging behind to fully leverage the opportunities provided by the dynamics of regional trade and globalization. Despite the shortcomings arising out of various factors like remoteness, poor connectivity, weak resource base, sparse population density and shallow markets, the J&K state has remained an industrially backward state. However, the industrial sickness has persisted in most of the industries of J&K state like Govt. Silk Weaving Factory, Rajbagh. In order to address this problem, numerous efforts have been made by researchers that are not sufficient for a successful and sick-free industry. This research attempts to fill this gap and empirically explores the causes of factory sickness based on the Relative Importance Index, the weightage and the key factors responsible for the sickness of the industry and suggests measures to tackle with each influencing factor.

giving a way towards solution. The various external and internal causing variables to be studied are covered under the six main factors namely Mission Statement, Financial Problems, Corporate Planning & Control, Production Problems, Human Resource Problems and Marketing Problems (Chowdhary, 2012; Goyal et al., 2012). Adequate supply of raw material is a principal compulsion for the survival of the silk industry in Jammu and Kashmir (Shah, 1991).

As per the Sick Industrial Companies (Special Provisions) Act of 1985, a sick unit is "An industrial company (registered for not less than seven years), which has accumulated losses at the end of any financial year equal to or exceeding to its entire net worth and also has suffered cash losses in such financial year and the financial year immediately preceding such financial year" (Murlidharan, 2004).

A unit passes through the different phases before reaching the Incipient Sickness. Following are the three different phases along with the factors responsible:

- Normal Unit: A normal unit is categorized by the efficient functioning of its operational areas like production, marketing, finance and personnel.
- Inclining near to Sickness: At this stage a unit shows certain initial aberration in any of its functional areas. Also the unit faces some environmental constraints.
- Incipient Sickness: The persistence of the decline in the operational fields leads to the definite setting of industrial sickness. In other words, cash losses are surfaced even if instability and imbalance doesn't seem in the financial structure.

Govt. Silk Weaving Factory faces a continuous deterioration in the functional areas and technically suffers a burden of cash losses thus falls in the stage of Incipient Sickness. Once the industrial sickness is identified, it suggests for its rehabilitation (Bidani & Mitra, 1982). A broad set of empirically tested criteria should serve as an