



CHAPTER II



CHAPTER TWO

Growth Profile of M/S Ghatage Patil Industries Ltd.

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I. Introduction of the company

Company History

The history of GPI dates back to 1940; when Mr.J.B.Patil & Mr.V.M.Ghatge came together to start a small-scale business. The business, which started in 1944 during 2nd world war, has grown & diversified into many areas. At present the company even exports to developed countries. The business, which was then started, has developed into a leading ancillary industry in Kolhapur.

The rich experience which they gained in one-year was applied to get into small automobile spare parts business in 1945. They also gained the prestigious dealership of Morris commercial vehicles. In 1950, they acted as distributors of commercial vehicles such as Cars, Lambretta, Scooter, Fergusson Tractors, Jeeps, Perkins engines, Bicycles etc.

1953 marked the beginning of a golden era when the partnership firm was converted into private limited company. The birth of transport company under the registered name of "Ghatge Patil Transport Private Limited" was a significant achievement.

At present this is one of the biggest transport company operating on roads carrying cargo. It also performs the functions of passenger transportation.

M/S Ghatge Patil Industries Limited (GPI), came into existence in 1960, when it started to manufacture engineering goods to cater to the needs of big industries. They also got good assistance from Mr.S.Kirloskar & Mr.Gujar. They bought a plot of 23 acres at Uchgaon near to Kolhapur.

The authorized capital of M/S. Ghatge Patil Industries Ltd., was Rs.25 Lakhs. The commercial production was first undertaken in 1961 with setting up two lathes and employment of only 12 workers for work.

The only customer for GPI Ltd. was Kirloskar group. It supplied gray iron components to M/S Kirloskar Brothers Ltd. & Mysore Kirloskar for their pumps & tools. The turnover achieved in first completed year of 1960-61 was Rs. 36757.

Steadily the reputation increased resulting in high demand for their products. The company since then has been striving consistently at achieving excellence in

precision engineering. GPI has been delivering a comprehensive range of products & services to the automobile and tractor industry, manufacturers of agricultural & earthmoving equipment and the marine Industry for over three decades.

GPI undertook a massive modernization programme in 1968-69. Another diversification programme was carried out in 1972-73. The sales turnover was constantly increasing in these years. By 1976-77 company had created niche in foreign markets.

Stringent quality policies, state-of-the-art technology, an efficient after sales service network and now the ISO9000 certification have secured large domestic as well as foreign market for the GPI products.

II. Year wise developments in GPI

1. The company was established by Mr.J.B.Patil and Mr.V.M.Ghagte as a partnership firm with a machine shop for jobbing work - 1960
2. Small foundry unit was established with hand machine molding facilities. - 1962

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3. Workshop enlarged to manufacture clutches and power take offs in technical collaboration with Twin Disc – USA - 1966
 4. Manufacture of Marine Gear boxes in collaboration with M/S Parsons – U.K. - 1971
 5. Automatic Power Take offs assemblies in collaboration with M/s Dana Corporation - U.S.A. - 1971
 6. Development of Earthmoving equipment assemblies of Komatsu Japan and Dressers – USA, licensed for manufacture by Bharth Earth Movers Ltd. such as Torque Converters, Steering Clutches, Main Clutches, Brake Assemblies etc. Pneumatic clutches & brakes in collaboration with M/S Barufieldi – Italy Electro Magnetic clutches and brake assemblies in collaboration with M/S ZF – Germany. Export of Quality G.I. and S.G.I. machined castings i.e. Brake Drums, Pulleys, Brake Discs, Gate valves etc to USA, UK Australia, Germany etc. Export of PTO's, Main clutches, etc to Kuwait, Mexico, Indonesia, Iran etc. 1978

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7. S.G.Iron converter installed in co-operation with George Fischer +GF + Switzerland. - 1979
 8. Foundry was modernized with installation of a fully automatic High Pressure Moulding Line supplied by M/s Kunkel Wagner. - 1980
 9. Achieved 1000 Tons/month production and ancillary Machine shop for machining castings was established - 1986
 10. Small Aluminium Foundry for Production of intricate castings established - 1987
 11. High pressure Gate and Globe valves manufactured for American Firm - 1992
 12. Phase wise expansion programme started - 1995
 13. 1400 Tons/month production achieved - 1996
 14. 2400 Tons/month production achieved - 1997
 15. Capacity upgraded to 3000 Tons/month. - 1998

III. Growth of GPI

The growth of the company has reflected in rapidly increasing turnover of the company.

Table 2.1

| Year | Turnover (Rs. In Lakhs) |
|-------------|--------------------------------|
| 90-91 | 3191 |
| 91-92 | 3699 |
| 92-93 | 3171 |
| 93-94 | 3869 |
| 94-95 | 4903 |
| 95-96 | 6669 |
| 96-97 | 7156 |
| 97-98 | 5391 |
| 98-99 | 5398 |
| 99-00 | 5869 |
| 00-01 | 8700 |
| 01-02 | 3215 |

IV Company Profile

- Name** : M/s Ghatge Patil Industries Ltd.,
Uchgaon, Kolhapur.
- Date of Incorporation** : July2, 1960
- Annual Turnover** : Rs.70 Cr.
- Location** : Regd office & work at Kolhapur
(Maharashtra), 400 km south of
Mumbai on National highway
No.4 i.e. Bombay - Bangalore
Road,
- Plant** : Total area – 93348 sq.meter
Built up areas – 32590 sq meter
- Departments** : 1) Personnel Department
2) Marketing, Dispatch & Excise
3) Purchase department

4) Account & Finance–
Management information
system (MIS)

5) Production – Planning &
control

a. Foundry Division –
Quality control &
Maintenance

b. Product Division –
Quality control
maintenance

V Manpower Strength of GPI

Table No. 2.2

Manpower Strength of GPI

| | As on 19.09.1999 | As on 31.05.2003 |
|-----------------------|------------------|---------------------|
| 1. Workers | | |
| a) Permanent | 878 | 751 |
| b) Temporary | 134 | 23 |
| 2. Staff | 482 | 328 |
| 3. Staff Apprentices | 16 | 10 |
| 4. Worker Apprentices | 30 | 20 |
| 5. Company Trainee | - | 7 |
| | 1540 | 1139 |

VI J.B.Patil Group Concerns

1. Ghatge Patil & sons Kolhapur - Dealership
2. Hem-Kiran Diesels – Kolhapur
3. Dealership in Mico-pumps & fuel injection equipments.
4. Ghatge Patil Pack Prints Private Ltd. Printing Packing
5. Jaykumar Patil Transport Pvt. Ltd. Goods & Passenger
Transport
6. Preci Engineering Company
7. Chandrika Industries, Nagaon.
8. Metal finishers & Engineers
9. Patil Atlantic Force Sunum Ltd.
10. Unique Dye Chemicals Pvt. Ltd.
11. Ghatge Patil Automobiles Pvt. Ltd.

VII Products of GPI

Foundry Division

| A) Grey Iron Castings | B) S.G.Iron Castings |
|--------------------------|---------------------------------------|
| 1. Brake Drums | 1. Wheel Hubs |
| 2. Transmission Cases | 2. Rear Axle Housings |
| 3. Cylinder Heads | 3. Differential Cases |
| 4. Cylinder Blocks | 4. Brake System Items & Discs etc. |
| 5. Body Valves | |
| 6. Flywheel Housing etc. | |

Facilities :

- GPI foundry uses a combination of superior technology & manpower to meet specific requirements. It is backed up by the foundry Engineering Department, equipped with CAD facilities for equipment design.

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- The fully automatic High Pressure Moulding line with an Automatic Synthetic Sand Plant consisting of latest intensive Turbo-mixers, is capable of producing ninety moulds per hour with consistent mould quality with zero dimensional deviation.
 - The foundry is equipped with a converter from George Fischer. Switzerland for the production of SG Iron Castings.
 - The Foundry has a full-fledged testing set up, equipped with the latest spectrograph, microscope & other state-of-the-art testing facilities.

Product Division.

Product Range

- A) Fluid Coupling
- B) Marine Gear Boxes
- C) Mechanical Clutches and Power Take Offs
- D) Electromagnetic Clutches and Brakes
- E) Industrial High Pressure Gate Valves.
- F) Automotive Power Take Offs.
- G) Various Hydraulic / Mechanical Aggregates for Earthmoving Equipments such as Torque Converters, Main Clutches, Steering Clutches, Brake Boosters, Control Valves etc.

Facilities

- GPI's product Division specializing in the manufacturing of Hi-Tech transmission products is spread over two plants and is supported by modern facilities such as Horizontal Machining Centre, Vertical Turret Lathe, Gear Grinding and Jig Boring machines.
- This is backed up by adequate quality control facilities like three co-ordinate measuring, Gear Profile Checking; Dynamometer testing etc.
- A strong infrastructure, CAD facilities & a pool of technical personnel aid the design and development of products

These products are marketed through a strong dealership network

VIII Customers of GPI

| | |
|-----------------------------------|-----------------------------------|
| 1. ABS, Australia | 2. Gietburg B.V., Holland |
| 3. John Deere, Germany | 4. W.Kellet, UK |
| 5. ZF, Germany | 6. Ashok Leyland Ltd. |
| 7. Bajaj Tempo Ltd. | 8. Bhardt Earth Movers Ltd. |
| 9. Eicher Tractors Ltd. | 10. Escorts Ltd. |
| 11. Greves Ltd. | 12. Hindustan Motors Ltd. |
| 13. HMT Ltd. | 14. KOEL |
| 15. Lakshmi Mechanical Works Ltd. | 16. Mahindra & Mahindra |
| 17. Oil India Ltd. | 18. ONGC |
| 19. Punjab Tractors Ltd. | 20. Telco Ltd. (Tata Motors Ltd.) |

IX Certificates

- A) ISO-9001 and ISO-9002 from Bureau Veritas Quality International (BVQI) for the Products & Services.
- B) American Petroleum Institute (API) for production of valves.

X Future Vision of GPI

Kolhapur has one of the largest networks of Ancillary Industries in Maharashtra State. GPI Ltd. is one of the biggest among them. With the growing population & growth in GDP of the Indian economy and major stress given by the Government on infrastructure development e.g. Golden Quadrilateral Highway Development Program, company foresees an ever-increasing demand in industries like Automobiles, Tractor, earthmoving & Marine Vessels

Following are the some of the policy goals of the GPI

1. To increase sales.
2. To concentrate & increase on export business of the company.
3. To export S.G. Iron Castings (one of the casting of the company).
4. To diversify the product range as per the demands in the market.
5. To become competitive & cost conscious in the coming years to face competition.
6. To upgrade technology.
7. To reduce overhead costs which are high in Product division.
8. To improve feedback technique through Marketing Information System (MIS) to reduce customer complaints.
9. To reduce and eliminate rejection percentage.
10. To increase the present capacity utilization of foundry division from current 50% to 60-70%.