
CHAPTER - II

INTRODUCTION

TO THE ORGANISATION

IN UNDER STUDY

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SECTION -I

GENERAL BACKGROUND OF ENGINEERING INDUSTRIES IN INDIA

In the last chapter, the researcher has tried to discuss the general background of the present study.

For the present study, researcher has selected the agency which is Engineering concern namely Shivaji Works Ltd., Shivshahi, Solapur.

An engineering industry in India, which grew so rapidly in last two decades could achieve this distinction of promoting labour harmony together with an immense increase in productivity. This development in such a short period is due to the efforts made in the private as well as public sector. There has been both diversification and expansion in Engineering Industries. The raw materials, machinery and equipments is in a position to look to future with great confidence.

The Engineering Industries cover a wide field. They can be divided into two groups :-

1. The Heavy Engineering Industries.
2. The light Engineering Industries.

The development of engineering industries did not receive much emphasis during the first five year plan with the result that the requirements of machinery and equipment continued to be imported. Some progress was, however registered by industries like textile manufacturing machinery, cement machinery, jute machinery. In the field of engineering the value of output was also considerably increased.

In the IInd five year plan period, considerable emphasis was placed on the development of basic and heavy industries, particularly steel and iron industries. As a result, the engineering industry also received priority.

The IIIrd plan gave attention to the development of structural engineering industry which is an important auxiliary industry to the steel industry.

The IIIrd plan emphasized the need for higher productivity and reduction in the unit cost of production. It put the responsibility on the management to provide the most efficient equipment, correct condition and method of work, adequate training and suitable psychological and material incentive for worker, whatever has been achieved in the last twenty years is the result of the efforts of individual employers and employees groups, but not with the above components. ⁶.

6. Report of National Commission on Labour—published by Government of India, Minister of Labour and Employment and Rehabilitation. page 247— chapter 17.

SECTION II

INTRODUCTION TO THE ORGANISATION IN UNDER STUDY

HISTORICAL DEVELOPMENT OF SHIVAJI WORKS LTD., SOLAPUR

Shivaji Works Ltd. is an engineering industrial establishment.

I. History :

Shivaji Works as a Corporate entity dates back to 4th April 1900, on which day it was incorporated and registered as a Public Limited Company, with Dr. Vasudeo Kashinath Kirloskar as Managing Agent.

It was originally known as " Shivaji Metal Works Ltd."

The objective was the manufacture of brass and copper utensils, water-tanks etc. During the first World War the price of these metals become prohibitive, and the Company brought in sheet metal working machines and steered its activities towards the manufacture hinges, aldrops and pressed iron fittings.

In 1928, the Company shifted to its new home near Tikekarwadi Railway Station, 5 to 6 KMS outside Solapur. Since then it has been known as "Shivaji Works Ltd."

By 1934, the production unit was expanded to manufacture geysers, chains, tables, fencing etc. By 1944, because of the importance being given to agriculture, a pressing need was felt for agricultural tools. Production of various agricultural implements was undertaken.

World War II created a new market for vices. In 1947, the Company set up a new workshop to meet the heavy demand. In 1951, in collaboration with Kirloskar Brothers Ltd., the production of self-priming pumps was undertaken. At about the same time, Shivaji Works went through a lot of legal arguments to stop the import of foreign vices, which were flooding the Indian market.

In 1959, the Company became a subsidiary of Kirloskar Oil Engines Limited. By 1969, to meet the needs of KOEL, Shivaji Works had modernised its foundry and launched an expansion programme. Cast iron castings of compressors for Kirloskar Pneumatics diesel engines for Kirloskar Cummins were also manufactured. The production which was only a hundred tonnes per month, slowly rose to five hundred and fifty tonnes per month. The chief shortcoming faced by the production unit was a severe shortage of raw material viz. pig iron, because of the governmental restriction on the supply of quota.

During the seventies, due to the installation of electric furnaces in the foundry, the production has risen to over nine hundred tonnes per month. The company has spread its tentacles far and wide to meet the needs of Telco, Siemens, Bajaj Auto Works, Mahindra & Mahindra to name but a few. It has been reached as far as Jamshedpur to feed Telco, the Defense Vehicles Factory etc. Castings for pumps and engines are exported to England, Germany & America.

COMPANY PROFILE

1. The company and products :

Today the foundry is a modern unit producing about 2500 Tons castings per month with all the facilities of the dynamic industry. The company has established itself as one of the leading manufacturers of Grey Iron Castings in weight range from a few grams to 400 Kgs. conforming to IS standard grade 20 to 30 and steel and alloy steel castings by Investment Casting process.

Our foundry consists of coke fired cupolas, Induction furnaces backed by Moulding, Core making and Fettling facilities. A variety of moulding and core making techniques such as Green sand, Oil sand, shell sand, Carbon-di-oxide and various resin binder systems are being successfully used.

The company has undertaken an ambitious plan of expansion-cum-modernisation under which an energy efficient Long Campaign Cupola has been installed recently and put to operation successfully. This unit will help to meet the increased demand of molten metal with reduced costs.

The drawings and design for this Cupola were imported from U.S.A. The manufacturing and installation was completed indigenously. Cold Box Core Shooters have been installed. A High Pressure Moulding Line will be installed. Only drawings

and design will be imported. The expansion-cum-modernisation programme will be completed by the end of 1997.

We have undertaken the manufacture of S.G. Iron Castings by Cored Wire Technology. New technology for Ceramic Moulding and Core making and Sodium Silicate system has been introduced. We have also undertaken the production of Glendead Coils.

Our pattern shop equipped with Copy Milling Machine has facilities for manufacturing patterns in wood, metal or araldite for casting ranging from a few grams to 400 Kgs. We also manufacture dies required for our Investment Castings in our Pattern shop.

The major customers include Kirloskar Oil Engines Limited, Escorts Limited, Eicher Tractors Limited, HMT Limited, Punjab Tractors Limited, Vehicle Factory, Jabalpur, Machine Tool Prototype Factory, Diesel Locomotive Works, Bajaj Tempo Limited, Tata Engineering & Locomotives Limited, Mahindra & Mahindra Limited, Premier Automobiles Limited, Automobile Products of India Limited, Ashok Leyland Limited, Simpson & Co. Limited and Tractors & Farm Equipment Limited.

MACHINING :

The Machine shop is fully equipped to machine castings to extremely close tolerances. Around 900 Tons fully machined castings ready for assembly are supplied to various parties

like Diesel Locomotive Works, Defense and Automobile Industries per month. Recently CNC Machining Centers have been added to further ensure quality and productivity.

INVESTMENT CASTINGS :

For Investment Castings, a collaboration was entered into with M/s. Hitchiner Manufacturing Co. Inc., U.S.A. for their patented CLA process. The process has advantage of Casting very thin walled, small castings at low shell and metal temperatures. We specialise in manufacture of thin walled castings. Casting in the range of 2 grams to 3 Kgs. are produced in all types of plain carbon steels, Alloy Steels, Stainless Steels and Co. base alloys.

In March, 1993 Mr.S.B. Deshpande joined the company as Managing Director. Under his dynamic leadership the company has progressed by leaps and bounds. A new work culture capable of Global competition was created. Ancillarisation was undertaken in a big way. New technologies introduced. Expansion-cum-modernisation programme was accelerated. Many a new feats were achieved on export front, the company having established its products in U.S.A., U.K., Germany, Japan, Singapore etc. An ambitious plan has been drawn up for entering into 21st century.

The company has undertaken HRD activities in large scale which has helped in maintaining the harmonious relations with the workers.

ISO 9002 certificate has been awarded to the company by BVQI for our products viz. Grey Iron Castings and Investment Castings.

The Casting Industry is an ever expanding one with a growing demand for intricate castings calling for modern techniques of production and rigid quality control. This is our never ending pursuit. With the competence and capability achieved today we are looking ahead and planning our production and quality control standards to meet the constant high expectations of the industry. This has been our tradition over the past 95 years, a tradition we continue to live up to.

Recently company's foundry has been adjudged as the best foundry and Mr. S.B. Deshpande has been selected as the best foundryman of the year by the Institute of Indian Foundrymen.

Briefly, these are the highlights in the development of a Company, which is seventy three years old, but yet young, energetic and modern.

II. THE ORGANISATIONAL SETUP OF SHIVAJI WORKS LTD.

The Factory area covers 55 acres and the number of employees has risen from a mere hundred to approximately seventeen hundred.

The factory is comprised of the following departments.

Two well-equipped foundries which produce 12000 tonnes of gray iron castings for diesel engines, locomotives, automobiles, hydraulic equipment, etc. every year.

A methods department where every drawing is processed. There the moulding method, pouring technique and grade of metal are decided to satisfy the customers' requirement.

A laboratory for quality control, which is well-equipped for chemical analysis.

A machine shop, which has a wide range of general purpose machines, on which the castings are machined.

The other departments are those of civil engineering, which meets the needs of expansion, maintenance, sales, purchase, accounts, security, power-house and welfare.

The foundries, machine shop and power-house, work three shifts every day.

III. OBJECTIVES OF THE COMPANY :

The following are the objectives of Shivaji Works Ltd. :-

1. To give the best quality with a minimum cost of production.
2. To look after the welfare of the employees i.e. to see to their economic and social betterment.
3. To tap and develop the latent potentials of skilled workers.

4. To see that the share holders derive the maximum dividend.

IV. WORKING OF PERSONNEL DEPARTMENT IN SHIVAJI WORKS LTD.

1. Recruitment :

Skilled workers are usually recruited from the Industrial Training Institute. Unskilled labour is absorbed through the decasualisation system.

2. Communication :

This is mainly through the media of notice boards, circulars, employees' handbook, meetings etc. The language used is Marathi.

3. Wage administration :

Wages are paid by the tenth of each month. Workers are given night-shift allowance. The payment of dearness allowance is linked to cost price index. Shivaji Works is the only industry in Solapur which gives incentives to all employees on time-rate and ad-hoc basis.

4. Trade Unions :

There are three registered Trade Unions viz. The Rashtriya Shivaji Works Kamgar Sangh affiliated to the Indian National Trade Union Congress, The Shivaji Works Mazdoor Sangh affiliated to the Bhartiya Mazdoor Sabha and Shramik Sena which is affiliated to Shivsena.

V. LABOUR WELFARE IN THE COMPANY (WELFARE FACILITIES)

All the statutory welfare facilities stipulated in the Factories Act 1948 are adequately provided. These include-

- a. A subsidized canteen, run on the coupon system, which provides meals for day and night shift workers. There is a separate dining hall for officers.
- b. An ambulance room staffed by two compounders and a visiting doctor.
- c. Various health and safety measures and
- d. A welfare officer.

The non-statutory welfare facilities are :-

1. A recreation club in the premises.
2. Various cultural activities like the celebration of festivals, film shows, an annual sports day for all employees etc.
3. A co-operative credit society which gives loans to its members.
4. Housing in the premises for officers and some of the staff.

There is no special arrangement for transport by the management. Workers use the municipal buses and cycles.