

CHAPTER - III

THE KOLHAPUR STEEL LTD., KOLHAPUR
HISTORY AND GROWTH.

- A) History.
- B) Growth.
- C) Organisation set up
of the Company.

CHAPTER NO.III

A) THE KOLHAPUR STEEL LTD. - HISTORY AND GROWTH.

Kolhapur possesses high cultural heritage and tries to develop of its own. It is one of the prominent cities coming up as industrial centre in Maharashtra. Having a rural surrounding the city has got abundant labour supply.

In the developing economy of India, steel casting is an important industry. Steel Casting is widely used by Railways, Defence department, Machine building industries, Automobile, Tractor, Sugar and Cement Machine Manufacturing Industries etc. There is heavy demand for steel casting from these industries'- in the country. Moreover with the availability of steel casting in Kolhapur the existing Engineering Industries in Kolhapur will be able to develop new field of steel cast products and steel cast parts. Also there were few steel casting foundaries in Western and Southern part of India. With all these prospectus and market potentials realised a group of renowned industrialists. Under the leadership of late Shri Seth Rambhai Samani and late Shri Y.P.Powar established company namely the Kolhapur Steel Ltd., in 1965. The company was incorporated on

26th May 1965 under the Indian Companies Act 1956 and commenced its business from 25th November 1965.

LOCATION :

The steel casting plant of the company is located at Shirolī near Kolhapur city - (Maharashtra) on Poona-Bangalore Road - (National Highway No.4) near the sixth miles stone from Kolhapur to Poona on a land measuring 21 Acres and 29 Gunthas.

MAIN OBJECTS OF THE COMPANY :

As per the prospectus issued the main objects of the company are -

1) To carry on business of steel manufacture, steel castings, alloys castings, steel forging and steel fabrication, steel structures etc. and to sell the articles so - manufactured.

2) To carry on the business of Iron foundries, Mechanical Engineers, Manufactures of agricultural implements, Machinery and machine tool makers, Iron and Steel Converters, Smiths, Wood-Workers, Metallurgists and to buy, sell, repair, convert, alter, export, import, let on hire and deal in machinery implements and hardware of all kinds.

3) To carry on the trades or business of iron masters, steel makers, steel converters, in all their respective branches.

4) To carry on business of manufactures of and dealers in machinery and plant of every description and kind and to manufacture produce, repair, alter, convert, recondition,

.THE KOLHAPUR STEEL LTD, KOLHAPUR.



. A PANORAMIC VIEW.

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prepare for sale, buy, sell, hire, import, export, let out on hire, trade and deal in all kinds of apparatus, accessories fittings and things in any stage or degree of manufacture process of refinement.

B) GROWTH :

1) Share Capital :- The company has an authorised share capital of Rs.25 lakhs divided into 25,000 Equity Shares of Rs.100 each. The subscribed and paid-up Share Capital - Rs.9.59 lakhs in 1966 has gone up to Rs.22.03 lakhs in 1983.

2) Production :- The company has set up two steel furnaces of capacity of 5 tonnes and 4 tonnes respectively to manufacture steel castings and steel ingots.

To manufacture steel castings and raw material, scrap is collected from different suppliers. The scrap material is of various types viz. Super Heavy, Heavy, Commercial press bundle etc. Then the scrap material is composed as per requirement and melted. After melting the scrap samples are taken out and the metal composition is adjusted according to requisites of moulding department.

In the moulding department moulds are designed from the patterns. For this silica sand is used. After the moulds are prepared they are sent to the furnace for heating. Then they are assembled and metal is poured into them. Temperature is adjusted. After 24 hours the casting is taken out and is sent to the fettling department for next process. Fettling department does the work of finishing the casting. The various processes performed here are gas cutting, grinding, chitting, welding, and heat treatment etc. Then the casting is inspected

and kept ready for despatch. The castings are of different grades as per the order of customers.

PATTERN DEPARTMENT :

The pattern require for moulding department are made here. The patterns are of two types; one is wooden pattern and other metallic patterns. Metallic pattern is preferable to wooden. Sometimes the patterns are supplied by the customers.

PRODUCTION :

The actual production of the company started in October 1967 within a period of 15 years the production of the company has increased to a great extent. As will be seen from the table given below. The production of steel castings has gone up from 1789.061 M.T. in 1979 to 1906.325 M.T. in 1982. However, in 1983 it has gone down to 1196.601 M.T. Whereas the production of Steel Ingots has increased from 2411.625 M.T. in 1979 to 2963.195 M.T. in 1983.

Table -

Production of Steel Castings and Steel Ingots of Kolhapur Steel Ltd. from 1979 to 1983.

Table - III - 1

Year.	Quantity (In M.T.)	
	Steel Castings.	Steel Ingots.
1979	1789.061	2411.625
1980	1792.272	2676.810
1981	2007.210	3057.770
1982	1906.325	2230.585
1983	1196.601	2963.195

Sales -

Table shows the Sales activities of the company. From the table it will be seen that, the Sales of the company have increased both in quantitative and monetary terms. The Sale of Steel Castings was Rs.1.10 Crs. in 1979 whereas in 1983 it has increased to 1.45 Crs. The Sale of Steel Ingots has increased from Rs.0.48 Cr. to Rs.0.79 Cr. during the same period.

Table -

Sales of Kolhapur Steel Ltd. (1979 to 1983)

Table - III - 2

Year	Steel Castings		Steel Ingots.	
	Quantity (M.T.)	Value (Crs)	Quantity (M.T.)	Value (Crs)
1979	1743.855	1.10	2470.050	0.48
1980	1622.950	1.27	2653.560	0.76
1981	1848.520	1.67	3056.770	0.95
1982	1851.765	1.79	2250.585	0.68
1983	1375.463	1.45	2951.945	0.79

Customers -

The company receives orders for its products not only from industries in and around Kolhapur; but also from various industries in the country. Here is the list of some industry -wise customers.

Table showing industry-wise customers of Kolhapur Steel Ltd., Kolhapur.

Industry.	Customers.
Sugar	Walchandnagar Industries Ltd., Buckau - Wolf New India. Engineering Works Ltd. The Godawari Sugar Mills Ltd.
Cement	ACC Vickers Babcock Ltd. Veda Cement Industries Pvt.Ltd. Larson and Toubro Ltd.
Rubber	MRF Ltd. Devon Machines Pvt.Ltd. Binny Ltd.
Engineering	Mukund Iron and Steel Works Ltd. Bharat Earth Movers Ltd. Praya Techno Corporation. Tungbhadra Steel Products Ltd. David Brown Greaves Ltd.
Automobile	Telco. Bajaj Auto Ltd.

Industry.	Customers.
Cranes	Mukund Iron & Steel Works Ltd. WNI Cranes Ltd. Garlick Engineering. Sikka-n-Sikka Engineers Pvt. Ltd.
Textile	Harihar Polyfibres. The Gwalior Rayon Silk Manufacturing Co. Ltd.
Rolling Mill Machinery.	Precision Equipments. T.K.Steel Industries Pvt.Ltd.
Moulding Machines.	Vulcan Laval Ltd.

Quality Control -

In order to maintain and improve the quality of its products, the company has set up the quality control facilities available are -

i) Full fledged chemical analysis laboratory; wherein steel analysis is done as per IS 228.

ii) Sand quality control laboratory where every batch of Moulding Sand is tested for grain compression, Gear permeability, moisture, by experienced and competent quality control staff.

iii) Physical testing laboratory - The company has

installed a 100 tonnes capacity universal tensile testing machine. Every heat is tested for tensile as per IS 1608 and Bent as per + IS 1599 to 1960.

iv) Impact testing facilities.

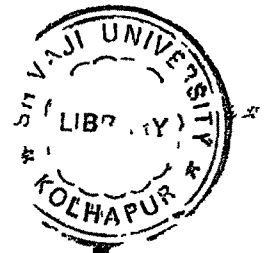
v) Ultra Sonic Testing Equipment.

vi) Dimension Inspection Facilities.

vii) Magnetic particle, Crack detection and dye Penetrant facilities.

The company has decided to provide training to its people in the quality control area. Due to good quality the company has booked orders for castings required for Nuclear Plant Machinery. The company is doing Research and Development activities right from its inception steps are being taken to get registration with the National Council of Scientific and Research Wing or the Directorate General of Technical Development, New Delhi.

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Personnel - The departmental personnel position of the company is shown below -

Table - III - 3

Table - Departmental personnel of Kolhapur Steel Ltd.
1979 - 1983

Department.	Year.				
	1979	1980	1981	1982	1983
Furnace Department.	62	62	62	62	62
Mechanical and Electrical Department.	20	20	20	20	20
Fettling Department.	55	55	55	55	55
Pattern, Core and Moulding Department.	85	85	85	85	85
Other Department.	20	20	20	20	20
Office.	66	66	66	71	60
Total ..	308	308	308	313	302

LABOUR WELFARE FACILITIES : 9

The company has provided number of statutory as well as non-statutory facilities for the well being and welfare of its labour.

Some important facilities in this connection are mentioned below -

1) Sports:-

The company has a sports club which organises various sports activities for its members. The sports club also participates in the various sports competitions organised by other institutions.

2) Recreation Club :-

To provide recreational facilities to the workers the company has set-up the recreational club.

3) Industrial Tours :-

Kolhapur Steel Ltd. is the only company in this area to organise Industrial tours every year for its all staff free of cost. This year the company arranged tour to Mysore, Bangalore for five days in which nearly 250 employees participated. This is the unique labour welfare facility to maintain.

4) Seminars, Workshops etc. :-

In order to acquaint the staff to modern techniques and methods and to improve their skills, the company organises Seminars, Workshops etc. on important topics.

5) Workers Co-Operative Society :-

The workers of the Kolhapur Steel Ltd. have established

a co-operative credit society in 1972. Besides providing financial assistance to the members in the form of loans the society has set up cloth department to sell cloth at reasonable rate. The society has 276 members and made a profit of Rs.55,000 in the year 1983-84.

C) ORGANISATIONAL SET UP OF KOLHAPUR STEEL LTD. :

The chart, showing the organisational set-up of the Company is given on page No.36.

Chart showing the Organisation set-up of The Kolhapur Steel Ltd., Kolhapur.

BOARD OF DIRECTORS

Elected Chairman

Acting Director

Works Manager

