

CHAPTER III

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CHAPTER : III

PROFILE OF THE COMPANY.

HISTORY OF MASCHINEN FABRIK POLYGRAPHS (INDIA) LTD. KOLHAPUR.

The Maschinen Fabrik Polygraph (India) Ltd. Kolhapur is a Private Limited Company started in technical collaboration with a German Company 'Veb Polygraph' (German Democratic Republic) for manufacturing the Printing Machines. The main aim behind starting this company is to provide indigenously manufactured printing machines.

The Company's head office is situated in Bombay. However, actual production is made at it's factory situated at D-1-M.I.D.C.Industrial Estate (Shirol) Kolhapur.

The Company received its certificate of incorporation in the year 1972, but the actual production started in the year 1975. Though at the initial stage some sophisticated parts were imported from East Germany. The Company manufactured printing machines named RO 62 Web-Feeder Offset machine which is big sized and OM II a medium sized printing machine. These machines are used for printing magazines, news-papers, text books etc. in multicolours.

The entire assembly of the machine is done at factory in Kolhapur. The company has no separate marketing department

but it has appointed sole selling agents from whom the orders for machines are received and accordingly production is undertaken. The company has been supplying the printing machines to the Indian printers and foreign buyers also.

ORGANISATIONAL STRUCTURE :

The company is headed by one whole time Director. The Works Manager and Dy. Works Manager and other subordinate Officials work under his direct supervision and control. The whole organisation is subdivided into various department. The organisational chart and the departmentwise strength give detailed information about the organisation and the structure of the Company.

SALIENT FEATURES OF THE MASCHINEN FABRIK POLYGRAPH (INDIA) LTD. KOLHAPUR.

1) GERMAN COLLABORATION :

(Nature of Collaboration?)

Maschine fabrik Polygraph (India) Ltd. Kolhapur was founded in May, 1972. It aims to produce sophisticated printing machines and other similar advanced types of machines in collaboration with world famous German Company the 'Veh - Polygraph'. The Govt. of India have allowed this company to manufacture eleven different types of machines, when all types of machines are manufactured the company's Production Programme will be complete and reach the gross sales target Rs.4.80 crores per year.

The well known industrialists such as Dr. Pranlalji Patel, Mr. Devchand Shaha, Mr. Yogesh Shaha, Mr. Kulveer Shethi, Mr. Rajkumar M. Sharma, Mr. Veejay Chandra N. Kantroi, Mr. Raviprakash Agrawal, Shri Sant, M. Shaha are among the directors of the Company.

2) TECHNICAL KNOW - HOW :

The Veb Polygraph is a popular German Company which produces highly sophisticated Printing Machinery and other allied machinery. The machines manufactured by 'Veb Polygraph' are used extensively in most of the countries. The Maschinen Fabrik Polygraph (India) Ltd. Kolhapur, succeeded in obtaining the technical know how regarding the manufacture of highly sophisticated printing machinery from this world renowned company. It is for the first time that 'Veb Polygraph' extended its technical knowhow to a Foreign owned and foreign based company like Maschinen Fabrik Polygraph Ltd. Kolhapur. From this Company's advanced technical knowledge was obtained and to strengthen it. The Veb Polygraph gave technical training to the companies technicians in Germany. Further of printing the German Technicians supervised production of printing machines in the initial stages. All these factors helped the company immensely. The companys workshop and assembly plant are situated in a large, spacious factory building in the Shirol Industrial Estate Area. The different sections of the company are technically well equipped. The

The different sections of the company are technically well equipped. The use of modern techniques in their day to day production has made the Company equal with any other renowned company in Maharashtra. To this day there are 79 managerial & supervisory staff, 85 Administrative staff and 398 workers on pay roll. The Company gives preference to local personnel. Therefore, more than 90 % Staff happens to be local. Especially workers from Top, Shiye, Shirol, Wadgaon and such villages in the vicinity of the factory are given preference while recruiting the staff. The company follows the policy of getting the parts of machines manufactured by other industrial firms. This has resulted in providing Job work to the many small industrial concerns. With the decline in demand for Oil Engines in the local markets as well as in other states, the industrial units faced grave prospect of closures. However, the Maschinen Fabrik Polygraphs's policy of getting the machine parts from these industrial units has helped them to pass through the crisis of Closure.

The Company selected Kolhapur-Shirol Industrial Estate for manufacturing printing machine on account of the above factors. The Government of Maharashtra & M.I.D.C. lent support to Maschinen Fabrik Polygraph to establish its factory in this region.

3) PRODUCTS :

1. AMBITIOUS VENTURE OM-II :

The Company's first ambitious venture in printing machine production was the manufacturing of automatic Cylinder printing machine called model ' OM-II ' It was inaugurated by the Minister for Industry Mr. Tidake on 12th July 1975.

O.M.II is very popular not only in India but in all other countries where it is exported. The machines produced by 'Veb Polygraph ' are used all over the world.

It has capacity of taking 3600 prints automatically per hour. It is very easy to operate but very strong and sturdy. These features have made the machine popular and useful to small medium and big printing firms.

In the initial stage the expert supervision of the German Engineers helped, maintained quality of machines comparable to the original 'Veb Polygraph' Machine. This has helped MPL to get export orders. The Company is licensed to produce 450 machines per year.

2. MODEL-RO 62.

The project for the production of the Veb Offset - printing machine model RO 62 was taken up as the next venture after OM-II. The company brought this model in the market by the end of 1976. This machine can undertake multicolour printing This has become possible because of the modern arrangements and adjustments made in this machine. The consumers need ~~ex~~ for

multicoloured printing on rolls & sheets in an automatic way is thus satisfied by this Machine. This feature will give this model a place of pride in the Indian Printing business.

3) GRAFART :

The universal Grafart Automatic Plant press is an automatic machine. It can print automatically all kinds of printing materials from the simplest printed matters to the high quality multicoloured reproductions.

Apart from this, the Grafart enables the stamping of labels, the crushing of various shaped polders, grooving of books, cutting the paper according to required size etc.

PRESENT POSITION OF THE FACTORY.

The modern factory of Maschinen Fabrik Polygraph at Kolhapur, Maharashtra is fully equipped with latest machines required for manufacturing and assembly of printing machines. These are operated by highly qualified and trained personnel. Rigid quality control methods supported by advanced technology ensure premier quality and trouble free performance of machine manufacturing - manufactured by the company.

Right from its inception the company has been moving ahead in a planned manner. As per the manufacturing programme

the company began with the manufacture of OM-II. Automatic cylinder printing machines. This speaks of the popularity of OM-II and its reliability. The OM-II Machine manufactured by this company was also the centre of attraction at Leipzig Fair held in Sept . 1976.

The manu-acturing programme encompasses a wide range of sophisticated printing machines. Maschinen Fabrik Polygraph is all set to establish itself as the foremost manufacturer in Printing Machines.

REVIEW OF THE BONUS POSITION IN M.P.L. FROM 1977 to 1982.

The payment of Bonus Act provides that the payment of Bonus is statutorily obligatory on the part of those companies which have completed 5 years of production and which employ 20 labourers and above irrespective of loss or profit. The statutorily minimum bonus is 8.33% p.a.

1977 :-

The company started commercial production of printing machinery in 1977 i.e. in the fifth year from its establishment. On account of financial stringency caused by heavy investment in the development at the initial stage the company could not pay bonus in the year. However the company made payment of Diwali Advance to the employees. Of this amount Rs. 75/- were recovered from employees and Rs. 25/- were given as Diwali Gift.

1978 :-

Although Company being newly set up and commenced its production in 1976 and having accumulated loss of Rs. 31 lacs upto the end of 1976=77 and Company was exempted under payment of Bonus Act. However, Company negotiated bonus issue with employees in 1977-78 accounting year as a matter of goodwill. For this year company has paid Rs. 100/- as Diwali Gift and Rs. 150 as production incentive.

1979 :-

During this year the company was exempt from payment of Bonus and under the statute. However, inspite of heavy accumulated loss of 30 lacks and revision of pay scales introduced by the company involving additional burden of Rs. 3.50 lack p.a. the company made payment of Rs. 150/- as Diwali Gift and Rs. 150/- as production incentive to each employee.

1980 :-

During this year also the company was exempted from the provisions of payment of Bonus Act. It had accumulated loss of Rs, 29 lacks during this year. However, with a view to maintaining its goodwill and establishing harmonious relation with the employees, it paid the Diwali Gift amounting to 8.33% of the total wage/salary actually earned by each employee during this accounting year.

1981 :-

During this year the company was covered under the provisions of payment of Bonus Act 1965 and it was statutory obligation of the company to pay Bonus @ 8.33% of the wage/salary subject to maximum amount of Rs. 750/-. The employees however, demanded 40% bonus from the company and this demand

could not be met by the company on account of its financial difficulties. A negotiated settlement was arrived at between the company and employees Association under which the company agreed to pay 8.33% Bonus and 8.33% incentive on actual wage/salary earned subject to maximum of Rs. 750/- under each head.

1982. :-

In 1982 in this year company revised upwards wages and salaries of all its employees giving a net rise of nearly 35% in the total wage/salary. This increased financial burden of the company by nearly Rs. 9 Lacks. p.a.

In spite of this additional burden company made bonus payment to the tune of 10% of wage actually earned. Over and above this the company made payment of 10% of actual wage earned as incentive payment without imposing any ceiling on either amounts.

1983 - ?
Unit - capital intensive
or labour intensive ?

INTERNAL WAGE STRUCTURE IN MPL.

Internal wage structure policy is an important ingredient of wage & salary Administration. The principle of equity, fairness must be brought into internal wage structure. This is so because each employee is interested in and affected by the relationship of his wage/salary when compared with those of fellow employees. To bring these principles into practices JOB evaluation process must be perfected and several grades and categories of workers within department must be introduced so that wage/salary of an employee receives is commensurate with his responsibility, professional capabilities within the company. In researchers study of the internal wage structure of this company, it was observed by him that the above - principles have been brought into practice by this company by categorising employees into different grades and categories. In what follows a cursory picture of internal wage structure of this company is broughtout.

(Give in details of scales and grades as per agreement with effect from 1st July 1982 of workers and office staff.)

SCALES AND GRADES AS PER AGREEMENT (Effective from 1st July 1982)1) WORKERS :-

- 1) MR.I = 235-4-255-5-280-6-310-7-345
- 2) MR.2B = 265-6-295-7-330-8-370-10-420
- 3) MR.2A = 280-6-310-7-345-8-385-10-435
- 4) MR.3 = 300-8-340-10-390-12-450-15-525
- 5) MR.4 = 340-12-400-14-470-16-550-18-640
- 6) MR.5 = 375-16-455-18-545-20-645-22-755
- 7) MR.6 = 410-18-500-20-600-22-710-25-835

2) CLERICAL STAFF :-

- 1) MR-A-II = 300-12-360-15-435-18-525-20-625
- 2) MR-A-I = 340-12-400-15-475-18-565-20-665
- 3) MR.B = 420-18-510-20-610-25-735-30-885
- 4) MR.C = 535-25-660-30-810-35-985-40-1185

<u>Grade</u>	<u>Its Designation</u>
1) MR-I	= Junior Helper, Sanitary Sweeper, Watchmen etc.
2) MR.2-B	= Hack Saw operator, Watchman, Shift in charge, Store Assistant, Carpenter Assistant, senior helper.
3) MR.2-A	= Grinder E, Tool & Cutter Grinder E, Turner-D, Miller D, Driller-D, Fitter-D, Pattern Maker-D, Planer-D, Shaper-C, Electrician-C, Welder-B, Painter-B, Carpenter-B, Sheet metal worker.
4) MR.3	= Grinder-D, Tool-Cutter Grinder-D, Turner-C, Miller-C, Driller-C, Fitter-C, Pattern maker-C, Planner-C, Shaper-B, Electrician-B, Welder-A, Painter-A, Smithyman, Blackening man, Driver, Mali, Head Peon, Printer, Carpenter -A.

- 5) MR.4 = Grinder-C, Tool & cutter grinder-C, Turner-B, Miller-B, Driller-B, Fitter-B, Pattern maker-B, Planner-B, Shaper-B, Electrician-A.
- 6) MR.5 = Grinder-B, Tool & cutter Grinder-B, Turner-A, Miller-A, Driller-A, Fitter-A, Marker, Pattern Maker- , Planner-A,
- 7) MR.6 = Grinder-A, Tool & Cutter Grinder-A.
- 8) MRA-II = Telephone Telex Operator, cum-Despatch clerk.
- 9) MRA-I & II = Tool Crib Clerk, Junior Job Inspector, Junior Clerk-Cum-Typist, Junior Technical Assistants.
- 10)MR.B = Assistant foreman, Assist. Chargemen, Boring machine Operator, Printer, Senior Clerk, Senior Job Inspector Technical Assistant, Draftsman, Security Incharge
- 11)MR.C = Senior draftsman, Time keeper, Steno Cum-P.A.. Senior Technical Asstt., Cashier, Chief Chargeman, Foreman, Mechanical, electrical, Production, assembly and pattern shop.