

CHAPTER - II

KIRLOSKAR ELECTRODNE LTD.

(A PROFILE)

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CHAPTER - II

KIRLOSKAR ELECTRODYNE LTD.: A PROFILE

2.1 INTRODUCTION :-

Kirloskars have been the pioneers in the field of engineering. Kirloskar Electrodyne Ltd. at Bhosari is a part of the multi-crore Kirloskar Houses.

While discussing with the official persons of the company the researcher learnt that Kirloskar Electrodyne Ltd. has started at Bhosari which is countryside area because of the following reasons.

1. To provide employment to the educated class staying in the rural area.
2. To get the means of production at cheapest rate. In rural areas raw material, Electricity, water and other means are cheap comparing to the town area.
- 3 To get the facilities of enviornmental clearance.
4. To get Economical facilities from the Government: Government gives subsidies to the company which is started in the rural areas.
- 5 To get the place for the company at the cheapest rate. The Kirloskar Electrodyne Ltd. has covered nearly 1,00,000 sq.ft. area. It would be impossible to get such a

vast area at cheapest rate in the town area or in the semitown area.

6. To get the advantage of market. Poona is developed and modernised city. The Poona city is nearest market place for the factory, production.

The Products of the company:-

The factory has been established with the common objectives of maximum production and thereby setting maximum profits.

The following are the eminent products of the company.

1. Electronic Racks :- Are used in the control system or in Automation for network and process control etc.
2. Chassies :- are used in Electronic or Electrical systems. It is also called Electrical or Electronic instrument case.
3. Computer Workstations :- This is also called a table which is used for keeping Electronic items.
4. Office Automation Systems :- this is called a table which is used for keeping printex and other instruments of official use.
5. Clean Air Equipments and clean Rooms :- Clean Air Equipments are used in the hospitals and in the operation theatres.

6. Fine Filtration Machines :-

This machines are useful for the re-filtration of petrol. Re-filtered petrol is used afterwards in the aeroplanes.

7. Turrent Punch Press.

8. Paints.

9 Furniture - Tables, Trallies, filling racks.

2.2 HISTORICAL DEVELOPMENT OF THE COMPANY :-

Kirloskar Electrodyne Ltd. is established in 1989. It is one of the parts of multy crore Kirloskar Houses. The company is powered by the groups leadership status and its strong resources - state of the art infrastructure, skilled workforce and world class R & D facilities has indeed carved a solid niche for itself.

The company own three factories spread over a built up area of over 1,00,000 sq.ft. well equipped with excellent manufacturing.

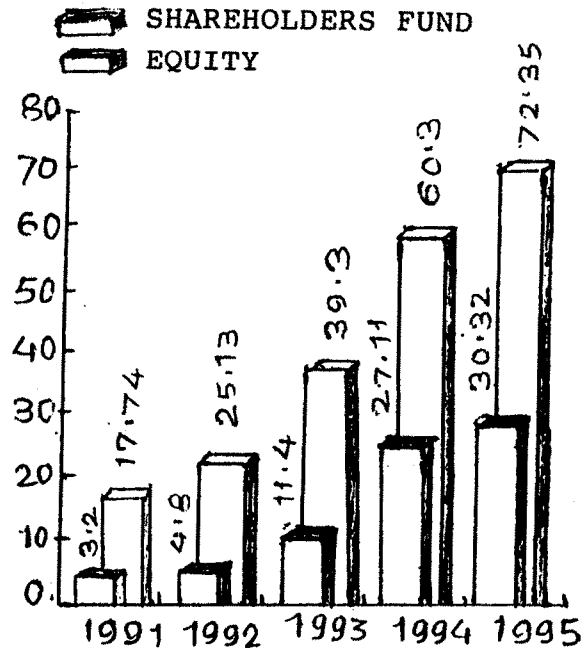
A unit at Bhosari, Pune, for oil Purifies and steel Metal fabrication bosts of computer controlled modules and machinery. The equipment include CNC/NC operated machines for shearing, punching and bending: A modern paint plant has a 7 tank phosphating and liquid and power coating system. Kirloskar Electrodyne Ltd. holds the number one position in the market for oil purifies.

Another manufacturing unit, located at Chakan, near Pune specialises in fabrication of Aluminium Profiles. The company has imported cutting the punching machines and assembly fixture from Germany.

Clean air equipment is manufactured at another plant at Bhosari, Pune. The plant has the most modern testing

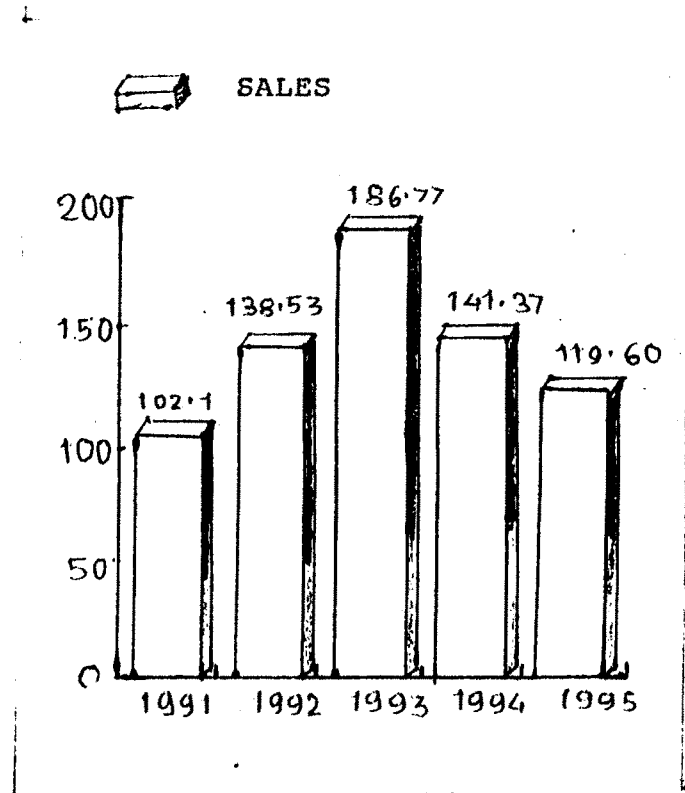
facilities. All equipment at the plant is indigenously manufactured. The company is therefore one of the top in the market for these products.

Kirloskar Electrodyne Ltd. in technical Collaboration with 'Knurr AG, Germany offers complete enclosure systems for electronics racks, chassis & workstations. Hence Kirloskar Electrodyne Ltd. is a company having successful past and promising future.

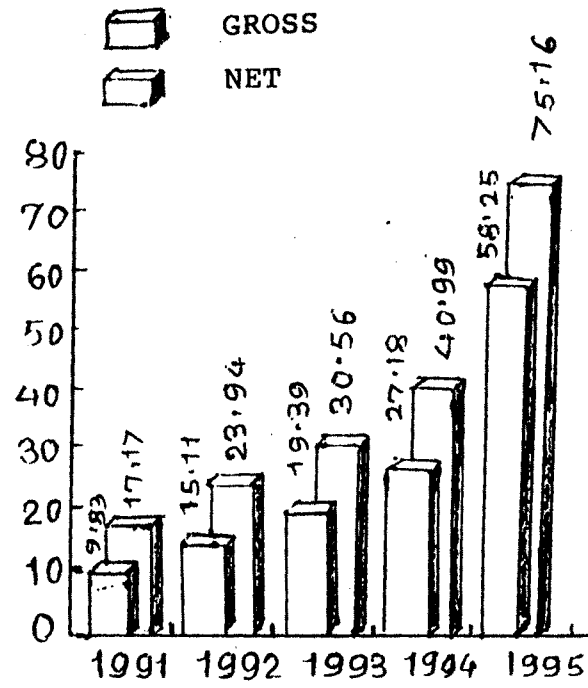


EQUITY SHAREHOLDERS FUND

(Rs. in Millions)



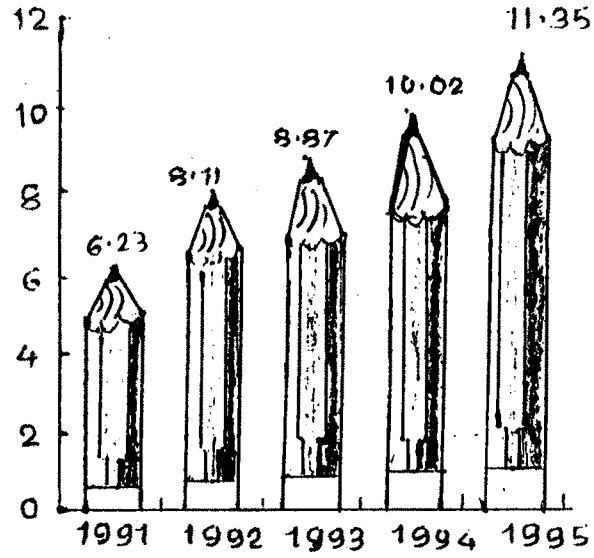
SALES (Rs. In Millions)



FIXED ASSETS (Rs. in Millions)



PROFIT AFTER TAX



PROFIT AFTER TAX (Rs. in Millions)

Financial Analysis for the last 7 years (Rs.in Millions).

Sr No.	Particulars	1989	1990	1991	1992	1993	1994	1995
1	Gross fixed Assets	11.42	13.36	17.17	23.94	30.96	40.99	76.16
2	Net Fixed Assets	5.8	7.18	9.83	15.11	19.39	27.18	58.29
3	Net Current Assets	4.31	8.23	11.83	19.18	19.95	43.1	54.3
4	Total Capital employed	8.5	13.5	21.33	31.02	46.35	81.38	111.3
5	Equity share capital	1.6	1.6	3.2	4.8	11.4	27.11	30.32
6	Share Holder funds	7.07	12.15	17.74	25.13	39.3	60.3	72.35
7	Sales	79.15	74.4	102.1	138.53	186.77	141.37	119.6
8	Profit before tax	4.03	7.01	10.18	16.33	16.33	15.92	12.50
9	Profit After tax	1.36	5.47	6.23	8.11	8.87	10.2	1.35
10	Equity Dividend	0.24	0.40	0.64	0.72	1.30	3.44	5.32
11	Employees (No.)	209	221	229	231	242	245	229

**Technological Absorption of the Co. specialise area
in which Research & Development is carried out. :**

- a) Development of filtration system for clearing of Turbine oil used in Electronic Governor control system of steam Turbine.

- b) Development of NBC (Nucliar Biology and Chemical) filter for Tank.
- c) Development of complete enclosure for mainframe super computer (for country's prestigious 'PARAM' super computer developed by C-DAC).
- d) Development of special racks for super computer for defence project (ANURANG).

2. Benefits Derived as a result of above Research & Development :

- a) The super clearing system enabled the turbine with electronic governor control to run continuously without any interuption for complete sugar crushing season of about 8 months.
- b) Various wars reconfirmed preparedness for NBC attack. hence Indian Defence force are gearing for various equipment with indigenisation.
- c) Super computer electronics designed by C-DAC could wear an international look due to company's quality cabinate.

3. Technology Absorption Adaption & Innovation of the company:

- 1. The company has taken technical services for development of oil purifiers from Hindustan Aeronautics Limited, Nashik. It has also taken

technical services from private companies for Dehydration nits, H.T. Power supplies and clean Air equipment.

2. In the areas of clean Air and Hydraulic Oil Electrostatic Cleaning the company top ranking position in India.
3. The company has a technical collaboration from Knurr AG, Germany for Racks, Chassis and workstations for Electronics. The company has absorbed technology for five products groups out of six.

For sixth product group, the company has to developed indigenious sources which should take one more year.

2.4 EMPLOYEES OF THE COMPANY :-

The total number of the employees working in the Kirloskar Electrodyne Ltd. are shown below.

1.	Unskilled workers	=	29
2.	Semiskilled workers	=	35
3.	Skilled Workers	=	95
4.	Highly skilled workers	=	70
			=====
	Total no. of Workers	=	229
			=====

Unskilled workers are given the category of W4, semiskilled workers are given the category of W3, skilled workers are given the category of W1 and H3 category is given to the highly skilled workers.

The payment is given according to their categories to the workers.

The workers working in the various categories are as follows.

60	=	Fitters
52	=	Turners
44	=	Welders
52	=	Formen
12	=	Supervisors
09	=	Electricians
		=====
229		Total workers
		=====

The managerial persons are also given various categories. The categories (grades) of these people and the total number for the persons are given as below.

	Grade	Persons
1.	SL (Staff leader)	20
2	03 (Assistant Officers)	15
3	03 (Officer Engineer)	15
4	01 (Senior Officer)	10
5	M (Managers)	05
6	GM (General Managers)	04
7	President	01
8	Vice President	01
9	Managing Director	01
		=====
	Total No. of officers =	72
		=====

2.5 LABOUR WELFARE ACTIVITIES IN THE KIRLOSKAR

ELECTRODYNE LTD.:

Labour plays an important role in the industrial production. Therefore it is very necessary to seek the co-operation of the labour in increasing the production and to earn higher profits. The co-operation of employees is possible only when they are fully satisfied with their employer and the working conditions on the job. For this purpose, provision of better conditions of work - suitable temperature, adequate lighting and in general a pleasant atmosphere is very necessary to get them realised that the management thinks of their welfare. The management of Kirloskar Electrodyne Ltd. has realised that the welfare facilities not only benefit the workers but also to the company in the form of greater productive efficiency. So some welfare facilities to the workers are given by the management which are as follows:-

1. Provision of Drinking Water :-

The workers in the Kirloskar Electrodyne Ltd. are provided with fresh and cool drinking water in all seasons.

2. Bathing and Urinal Facilities :-

There are wash basins, bathrooms, toilets in the company.

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3. Workmens safty Measures :-

The workers in Kirloskar Electrodyne Ltd. are provided with safty measures like handglobs, safty cloaks, eye glassess, rubber shoes, masks etc. These measures are provided to the workers without any charges.

4. Vehicle Stand :-

The Kirloskar Electrodyne Ltd. has provided vehicle stand to its workers where the workers can park their vehicles. This facility is also provided to the workers without any charges.

5. Loan facility :-

The workers can receive loans for various purposes, like 'loan for own marriage, housing loan, higher purchase loan etc.

6. Workers Recreation Facilities :-

Under this the workers have received indoor games facility, like, chess, carrom, playing cards etc. Since company do not have its own ground the workers in the Kirloskar Electrodyne Ltd. can not enjoy outdoor games though they are interested in it.

7. Travelling Facility :-

Many workers stay far away from the company. Table 4.5 is the evidance of this. The workers have demanded for

the private transportation and school bus for their children. But the company have not started private transportation yet. It has provided 'Travelling allowance to its workers.

8. Cultural Activities :-

There is 'get together' programme held every year in the company. The families of the workers and the families of managerial persons are sent invitations for this programme.

9. Labour Economic Welfare Programme :-

Workers can receive providend fund, gratuety, leave with payment, bonus at every year by the company. On the sudden death of a worker, his family can receive financial help upto Rs.1,00,000 from the company.

But the company do not have its own bank, co-operative or fair price shop, co-operative credit society. Training centers etc.

10. Labour Welfare Programme :-

There is not any welfare programme held by the company.

11. Education Facility :-

The company do not have its own library. Some magazines and news papers are provided to the workers in

the rest room of the company Neither there are schools (Primary and secondary) nor any scheme or provision for workers' own education and their wives education, like home handicrafts, children care, sex life, family planning, etc.

12. Canteen :-

There is no canteen in the campus of the company. The workers have to go to the other restarants for food or a cup of tea.

13) Housing Facility :-

Though the Kirloskar Electrodyne Company has provided 'housing loan facility to its workers, it has not provided the housing facility to its workers.

14. First Aid Facility :-

Every department is consisted with the first aid box and other equipments. There is first aid room in the company.

15. Health Centre :-

The company do not have its own dispensary. But the workers get 'free cheking' every year in the compus of the company by the company appointed doctor. For their own children and their families they have to consult with the other doctors.

16. Technical Education :-

The company has not provided any technical education facility to the children of workers. Many workers have demanded for such scheme so that their children would seek service in the company or can start their own jobs.

2.6 CAUSES OF DISPUTES AND UNREST IN THE KIRLOSKAR

ELECTRODYNE LTD., :-

During the study period i.e. 1994-95, it was found that the following were the main causes of unrest in the Kirloskar Electrodyne Ltd.

1. Revision in the salary, wages and other monetary benefits.
2. Implementation of discipline.
3. Modernization.
4. Lack of proper training and development.

In all these causes 'monetary cause' was the main and the topmost reason of the unrest. During the period of 1994-95 nearly 63% of the workers were involved in the strikes arranged for the same cause. For the purpose of achieving the objectives the workers in the Kirloskar Electrodyne Ltd. used the following tactics.

1. Gherao :-

All the workers gheraoed the managerial employees on the gate for 3½ hours. The police were called and then the managerial employees could enter into the gate.

2. Protest Strike :-

In Nov. 1995, the workers of the Kirloskar Electrodyne Ltd. arranged the protest strike for their

demand of bonus. They gave abused sloyans and some workers tried to put the company into loss by damaging the property.

3. Lightning Strike :-

In Sept.1994, the workers had arranged the lightning strike. The union leader called meeting of the workers for their demand of 'removing one of the supervisor's who had insulted the union leader.

4. BOYCOTT :-

At the time of 'Ganesh Festival the workers boycott on the 'Satyanarayan Pooja and 'Ganesh Pooja', 'Wisarjan of Ganesha'. As some of the workers felt it was just time wasting ceremonies and nothing at all. The percentage of such workers was 30.