CHAPTER-II

HISTORY AND DEVELOPMENT OF ORGANIZATION

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HISTORY AND DEVELOPMENT OF ORGANIZATION

The present chapter deals with the history and development of organization. Before going in details about the working condition and historical background of the unit of study, it will be more appropriate to peep into the subject of how engineering industry and modern industry took its shape in India.

2.1 Rise and Development of Modern Industry:

Industrial Sociology today is specially concerned with the problem of contemporary, industry on which a vast amount of research is being conducted, in order to acquire a broad basic view of the subject. Researcher must start with a account of the nature and development of industry, specially in modern times.

Industry may be defined as the invention and use of tools in order to achieve material end. Industry in this sense is as old as man himself as he has been always user of tools. The earliest type of industry with which we are acquire is simple trnasformative, industry represented by early hunters and agriculturist, whose more widely known instruments were the arrow and spear and the digging stick or hoe and who used to make fire by wood friction or stone percussion.

The complex transformative industries imply a higher degree of complex in comparison with the previous ones, and are so called because the tools are instruments used are more sophisticated. They may be divided into early industry and modern industry.

Modern industry in India represent in general, as it does in other eastern countries, a brake with the traditional socio-economic institutions of the past. Modern industry in this country began about the 1850-60 decade when the first cotton and jute mills were opened, and railway line was inaugurated connecting Calcutta. Then impirical capital of India with the coal field of Bihar and Bengal. Railway and road transportation experienced, a considerable growth which greatly influenced the economic and social life of the country.

During this period the British power had become consolidated in India and there by attracted large number of foreign enterpreneurs. Particularly from England and Scottland, who had discovered in India a source of cheap labour and material. Mr. Justice Rande said, "there spred in India the use of small machines and small engines, and that there was generally a tendency to make a great increased use of machinical appliances every where."

While the capacity of traditional industries increased about 25 percent in a period of five years ending in 1953, that of modern industries like motor, diesel engines, batteries, transformers, radios etc. During this period a number of institutions and agencies like the Industrial Finance Corporation and the State Finance Corporation were established in order to help the growth of industry.

One of the most important innovation in the industrial field after independence has been the introduction of five year plan and the direct participation by the Government in industry as expressed in the 'Industrial Policy Resolution' of 1948. According to industrial resolution policy industries were divided into three categories - under category-A - fall those industries which only the Government can handle i.e. atomic energy, electric power, arms and ammunition, air craft and ship industries, heavy electricals, iron and steel and other. Category-B comprises those industries which though still in private hands, may be progressively taken over by the State as road and sea transportation, machine tools, aluminium, chemicals including plastic and fertilizers and certain type of mining. Category-C comprises the remaining industries and left to the private sector. In fact both types of industries are expected to share propertionately in the social and economic development of the country.

2.2 Development of Engineering Industries:

In earlier times of the first world war there were a few private firms which produced steel bridge under took fabrication of general steel structures, wagon building and repairs and replacement of parts. Railway workshop also did product some engineering goods and even their raw materials had to be imported from a board.

In 1920, there were about 40 engineering firms with a total working strength of 75,000 persons. However between 1929 and 1934, when general depression set in the industry suffered a set back due to fall in demand by the Government and the railway. But after 1939, with the out break at the second world war, the industry got a stimulation the number of units increased to 58 and that of the workers 84,000. In 1943 this numbers was 87 and 150,000 respectively.

There were the most concentration in and around Calcutta, Madras and Bombay. Since independence, there has been a phenomental progress in the engineering industries. India has made a great forward leap in the manufacture of variety of machinery and equipment, ranging from pin to air craft.

Development During the Plan Period:

In the first five year plan engineering industries did not receive much attention. There was an emphasis on the development of agriculture. However, some progress was registered in the production of cotton textile machinery, manufacture of cement, jute and sugar machinery was also started on a modest scale.

In the second five year plan greater emphasis was given on the development of the heavy and basic industries and so engineering industries also got priority. Workshops, heavy foundries, structure shops were established and substantial progress was achieved in mechanical and electrical engineering industries.

During the third year plan greater emphasis was given to the development of structural engineering industry. Encouragement was given to the private investors and in the public sector a number of projects were lunched. Such as the Hindustan Cables Ltd. Heavy pressures and pumps, boll and rollers barrings precision instruments. During the plan period substantial increase tool place both in the production of mechanical engineering industries.

During the forth five year plans efforts to increase the fuller utilisation of the installed capacity investment made primarilly for completion of the progress and also for the diversification in some of the existing units like the Hindustan Machine Tools, and Allied Machinery Corporation is envisaged. 2

2.3 History of Hindustan Gears Private Limited:

i) History:

Hindustan Gears Pvt.Ltd. is the industry where the researcher has collected data for project on 'Management-Labour Relations.' It is an engineering concern which is situated at Oglewadi, near railway station, this industry is 2 km. away from the Karad. It is growing complex of engineering activity.

This factory was started in 1963, and managed by
Shri U.B. Patankar and Dr. Kalyani, under the control of
the Board of Directors and they were the first Joint
Managing Directors. This factory was started on Gudi Padawa
muhurta, which is known as foundation day of the company.
The company was started with only a two machines and a
shapping machine, previous of that time in use of under job
work for 'Rustan' and 'Harsby',

In the course of time the company was flurished and the activities were expanded. In 1969 Dr. N.A. Kalyani started his own factory viz. Bharat Forge Company Ltd., Poona and this company was taken over by U.B. Patankar. In the year of 1965 Hindustan Gears Pvt.Ltd. under the

leadership of U.B. Patankar and his family started one more Organization. The total strength employed in the company are 280 and number of administrative staff, decided to co-operate set-up Gears manufacturing unit in Oglewadi. Initially, the company manufactured gears in a small range and within a short period, it was expanded considerably.

ii) Range of Product :

This organization is procuring raw materials from the open market steel and costing is being purchased from Belgaum, Satara and Kolhapur. Refining and finishing work of the product is done in the organization. However, majority of the finishing work being given to the other factory so the production level is maintained.

The final job of the gear cutting is carried out in the factory itself. The work pertaining to the heat treatment sent to Kolhapur and Bombay. Gear Grindings and assembly of Gear Boxes is carried out in the factory.

Inspection of various types of gears and testing of gears is carried out other factory. Duly inspected and tested the gear boxes are packed and dispatched to the desired destinations. The famous 'Gardenwrich' firm of Calcutta places the order for Road Roller gear boxes to this concern.

This concern has been providing the gear boxes to the pic-kup vens of defence department. It is most leading and reputed concern in manufacturing various types of vehicle gears e.g. Marine Boat gears, Bull Dozer gears, Crane gears, Rode Roller gears, Tractor gears etc. Recently Hindustan Gears has been successful in developing on original process of manufacture one of the important parts of the vehicles.

iii) Personnel:

Two hundred and thirty five (235) employees are working in the company. Their loyalty deligence and sense of discipline have made, Hindustan gears happy and gave reputed in Oglewadi. All these workers are working in three shifts and the timings of shift are as follows:

I Shift - 8-30 a.m. to 4-30 p.m.

II Shift - 4-30 p.m. to 1-00 (Night)

III Shift - 1-00 a.m. to 8-00 a.m.

iv) Departments:

There are in all six (6) departments some of them are as follows:

Finance Department, Purchase Department, Watch and Ward Department, Quality and Control Department, etc.

The organizational chart is given separately on Page No. 97.

v) Maintenance of Employees Record:

In Hindustan Gears the record of every employee is kept in the form of Personnel file. It contains each and every details of an employee e.g. application form, interview letters, medical certificates, appointment letters. The letter consists of basic wage and increments given charge sheets and the report of domestic enquiry service record card etc.

vi) Recruitment and Selection:

Recruitment and selection is regulated as under recruitment and selection of skilled workers. The recruitment and selection of skilled workers is done by the following method:

Advertisement:

The advertisement is given in one Marathi daily news paper, and application are invited for the post of skilled workers. The candidate must have passed the S.S.C. with I.T.I. or Primary with I.T.I., the preference is given to the local people or relative of the workers.

Selection depend upon medical examination. The oral interview is taken by selection committee. The selection committee for skilled workers consists following members:

- i) Factory Manager,
- ii) Labour Welfare Officer,
- iii) Departmental Head.

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