

BAGALKOT UDYOG LIMITED - A BRIEF HISTORY

Due to the unremitting efforts of Dr. A.G.Tendulkar the BAGALKOT CEMENT COMPANY was incorporated on 6th Sept.1955. In the year 1971 the name of company was changed to BAGALKOT UDYOG LIMITED. Initially it was having a production capacity of 90,000 tonnes a year with one kiln, one raw mill and one cement mill as its machinery assets, 1200 strong workforce and 990 acres of landed property. It followed wet process as its method of production. It has been producing portland cement. It is a public limited company but comes under Private Management.

The company was registered with an authorised capital of 10,00,000 ordinary shares of Rs. 10/- each issued, subscribed and fully paidup. At present (as per the Annual Report 31st Dec. 1987 of the company) the authorised capital raised to 22,50,000 ordinary shares of Rs. 10/- each.

Bagalkot Udyog Limited, Bagalkot is situated 2 Km. away from Bagalkot City. District Bijapur, Karnataka State. The surrounding area of Bagalkot and entire Bijapur district is rich in lime-stone which is the basic raw-material for cement industry.

The present Management ' KANORIA GROUP ' came in to force in July 1972. Keeping in view the public demand for

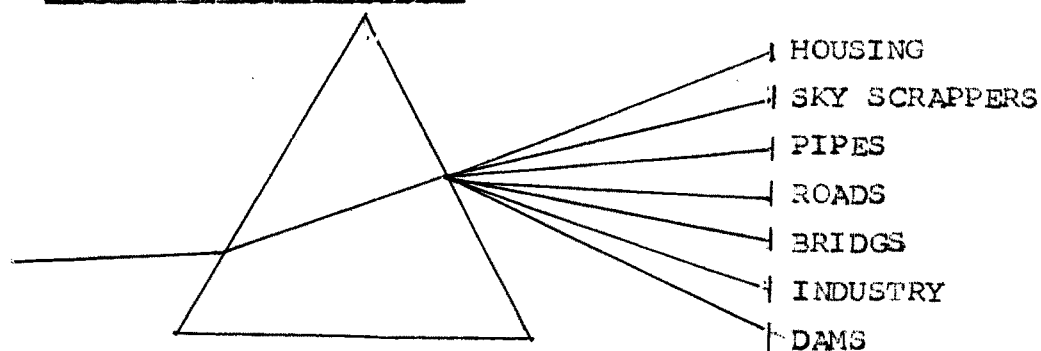
cement, the management took a keen interest. In order to economize cost and process of production the management modernised the machines and changed the process of cement production from 'wet' to dry method. As a result its capacity of production reached to 1000 tonnes per day or 3.30 lakh tonnes per annum. To bring more technological changes in production the management reached an agreement with M/s BLUE CIRCLE INDUSTRIES PLC OF UK in 1985. Under the service of B.C.I it has been envisaged that the existing capacity of 1000 tonnes per day will reach to 1500 tonnes per day under existing resources only.

#### WHAT IS CEMENT ?

' CEMENT ' the wonder material for building stones and bricks together. It has contributed greatly to the development of modern civilization. It ranks next to steel as a construction material.

It is a greyish powder - limestone as the basic material mixed with clay, calcined to clinker and gypsum (calcium sulphate) is added to the powder which now becomes the cement.

#### SPECTRUM OF CEMENT USE :



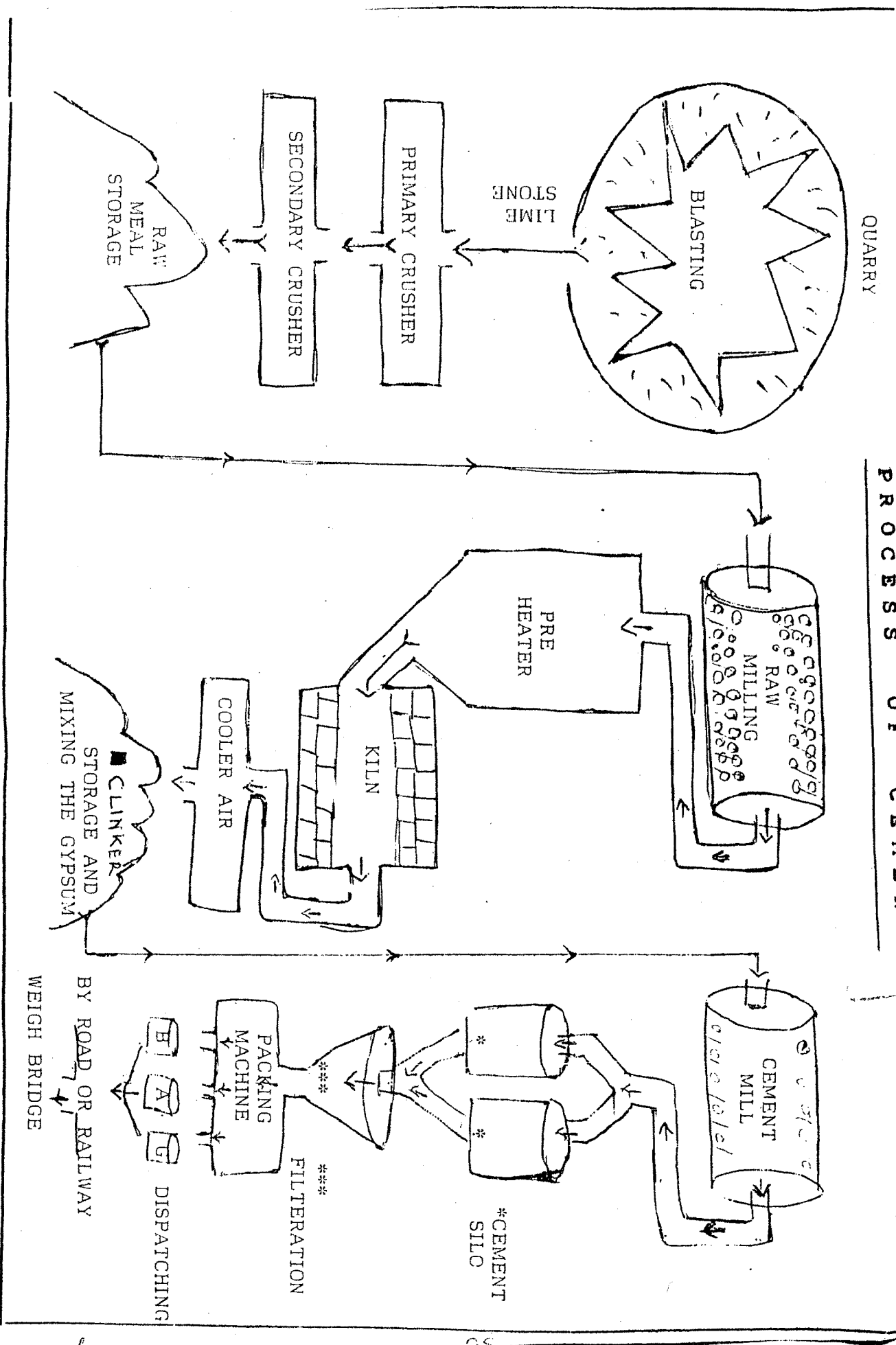
Process of Cement Plant :

The process of cement will start from the quarry. The main raw material for cement is lime. The lime stone is ideal but a hard rock, which has to be blasted out of the quarry face. The blasted rock pieces are fed in to a crusher, which it is reduced in size to small pieces suitable for feeding to the raw mill the next process.

After mixing in the correct proportions the lime stone and shale are fed to a ball mill. The ball mill is basically a steel tube containing steel balls. The balls gradually grind the raw material to a fine powder called raw-meal. The raw-meal is then conveyed to silos for further blending. The base of blending silo is divided into segments. As the silo is filling, air is blown through the base, to keep it clear. The air flow is then increased to fluidise the meal, making it act like liquid. This raw material passes through pre-heater.

The pre-heated partially calcined raw meal is fed into the kiln, a steel tube. The kiln is lined with refractory bricks and is fired either by coal, oil or gas. The output is the clinker. Then Gypsum is mixed with clinker. Gypsum is used to control the setting time of cement and to prevent flash set. The mixture of clinker and gypsum now passes to the cement mill. The cement mill works on ball milling system.

# PROCESS OF CEMENT



From the milling system, the cement is often pumped through piper by what is basically a screw fed blower the high speed screw delivers the cement into a high valume air flow provided by compressors. The air conveys the cement along a pipeline to storage silos. Next filteration takes place. The final out come is called CEMENT. This entire system is fully automatic.

CONTRIBUTIONS OF BAGALKOT UDYOG LIMITED FOR ECONOMIC

DEVELOPMENT

The Company has contributed its mite in nation-building activity. Its State-wise important constructions are as followes;

KARNATAKA STATE :

Sharavati Hydal Project.

Hidkal Dam and its Canals.

Kali Hydro-Electric Project.

Upper Krishna Project.

Malaprabha Dam.

Karnataka University, Dharwar.

Jawaharlal Nehru Medical College, Belgaum.

GOA STATE :

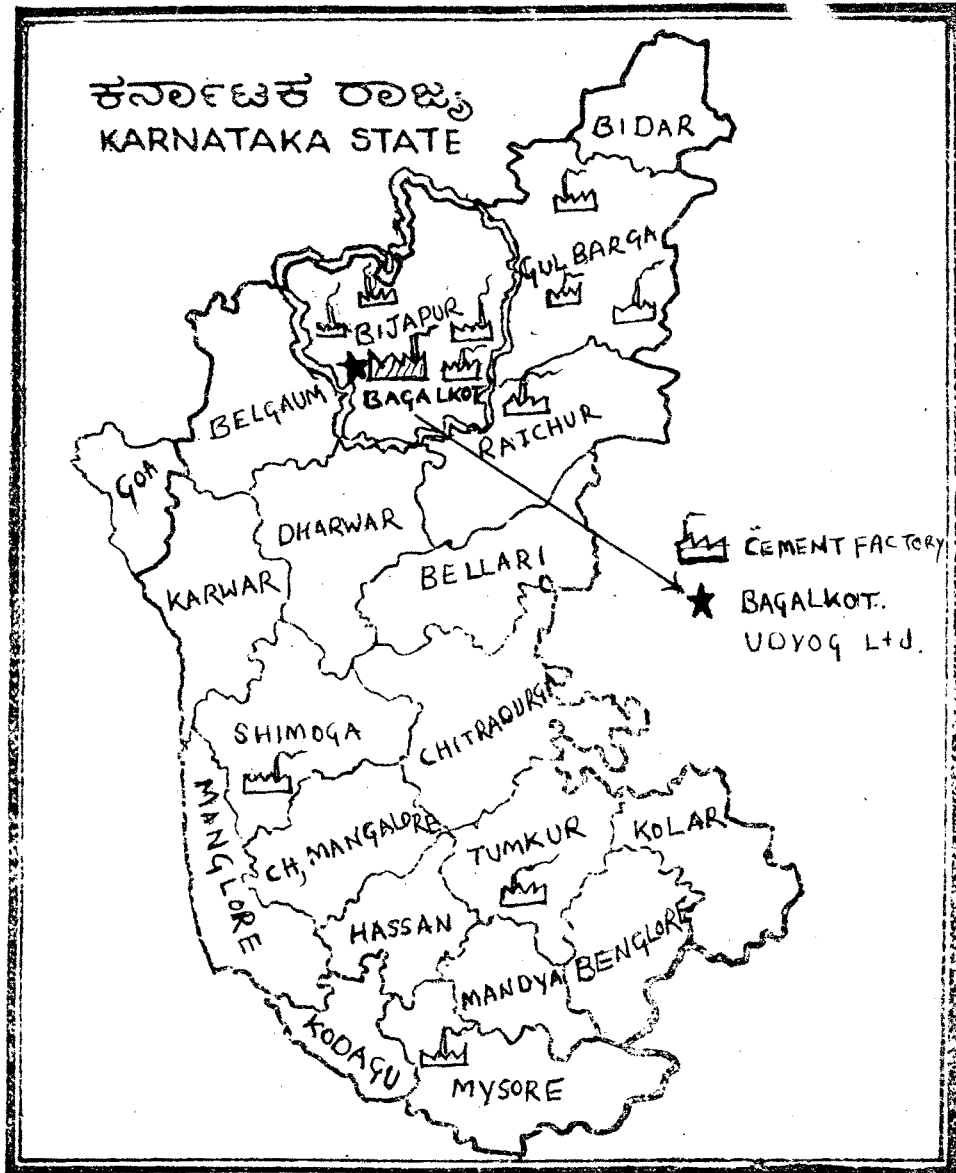
Goa Shipyard.

Goa Naval Base (M.E.S).

National Institute of Oceanlogy Goa.

CEMENT FACTORIES IN  
KARNATAKA STATE

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MAHARASTRA STATE

Koyna Dam.  
 Warna Project on Warna River.  
 Ujjani Project on Bhima River.  
 Goa Road.  
 Ports of Ratnagiri and Dhabol.  
 Tillari Hydro Electric Project.  
 Shivaji University, Kolhapur.

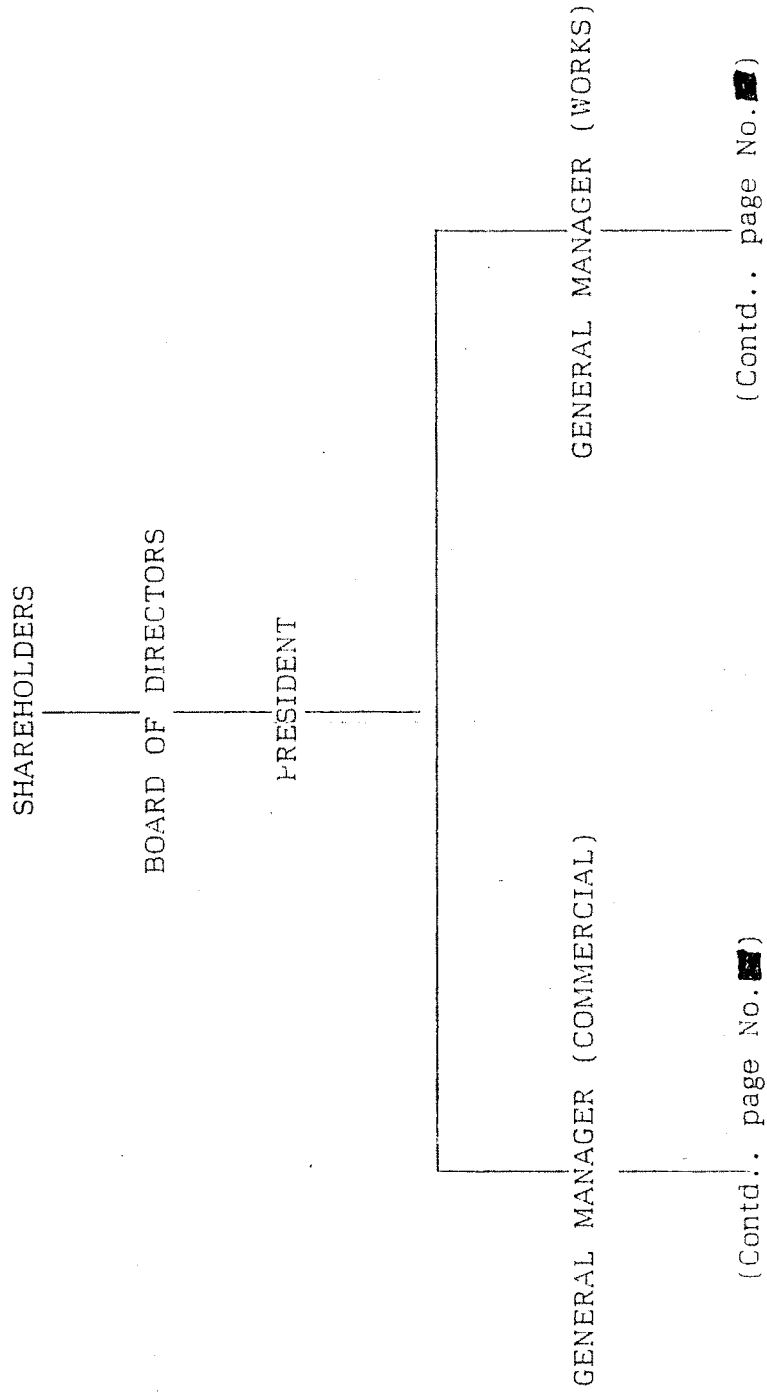
MANAGEMENT:

The company is following the Company's Act of 1956 for its management. The Board of Directors are elected among its members. At present following persons who are ameenent and well experience in business line are acting a directors of the company.

BOARD OF DIRECTORS :

Sri. A.K.Kanoria	:	Chairman, And Managng Directors.
" B.K.Kanoria	:	Managng Director.
" J.S.Singhi	:	
" E.B.Desai	:	
" K.M.Morarkar	:	
" S.H.Junnarkar	:	
" A.K.Jhawar	:	
" M.S.Sanganeria	:	
" M.L.Daga	:	Director & Secretary.
" D.G.Ramaiah	:	Nominee -I.F.C.I.
" S.K.Gupta	:	" I.D.B.I.

ORGANISATION CHART OF "BAGALKOT UDYOG LIMITED"

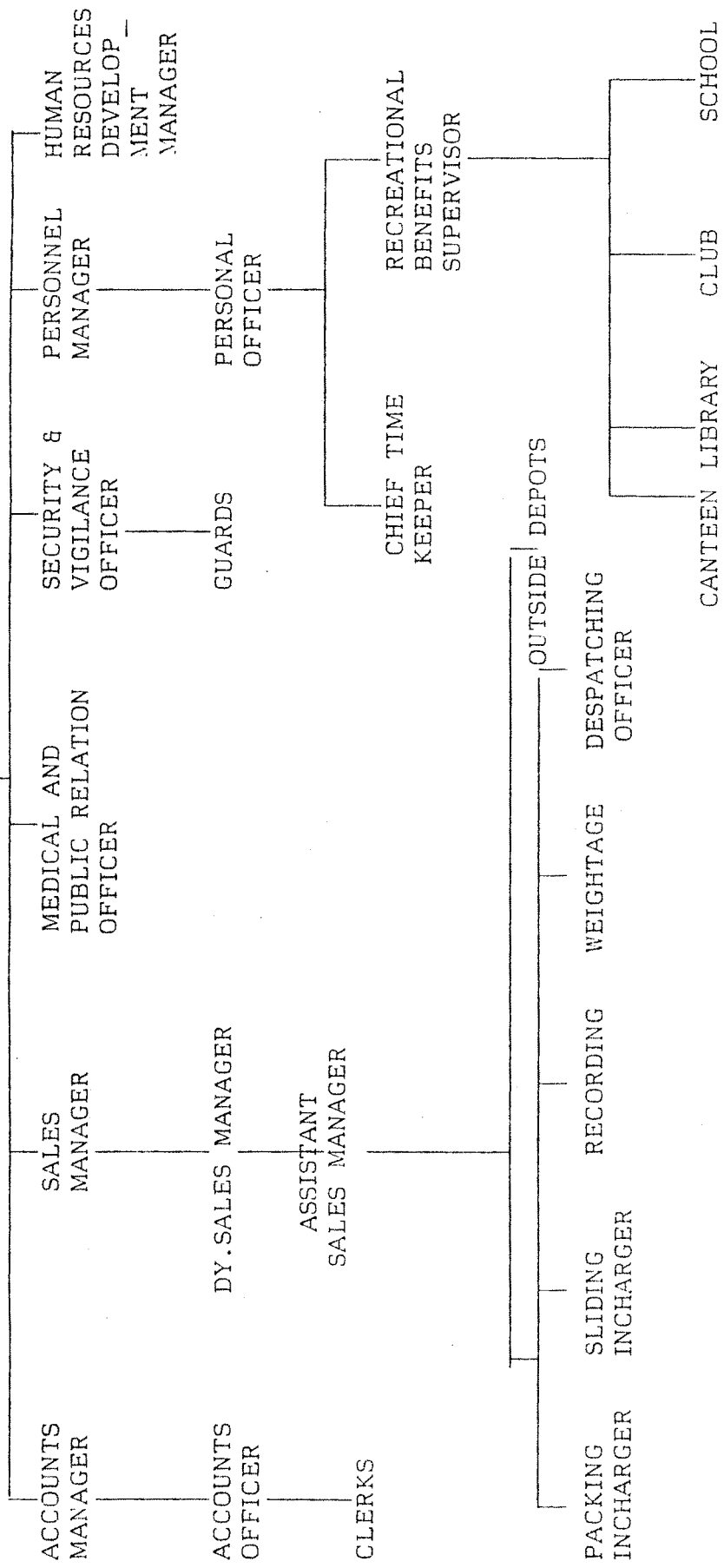


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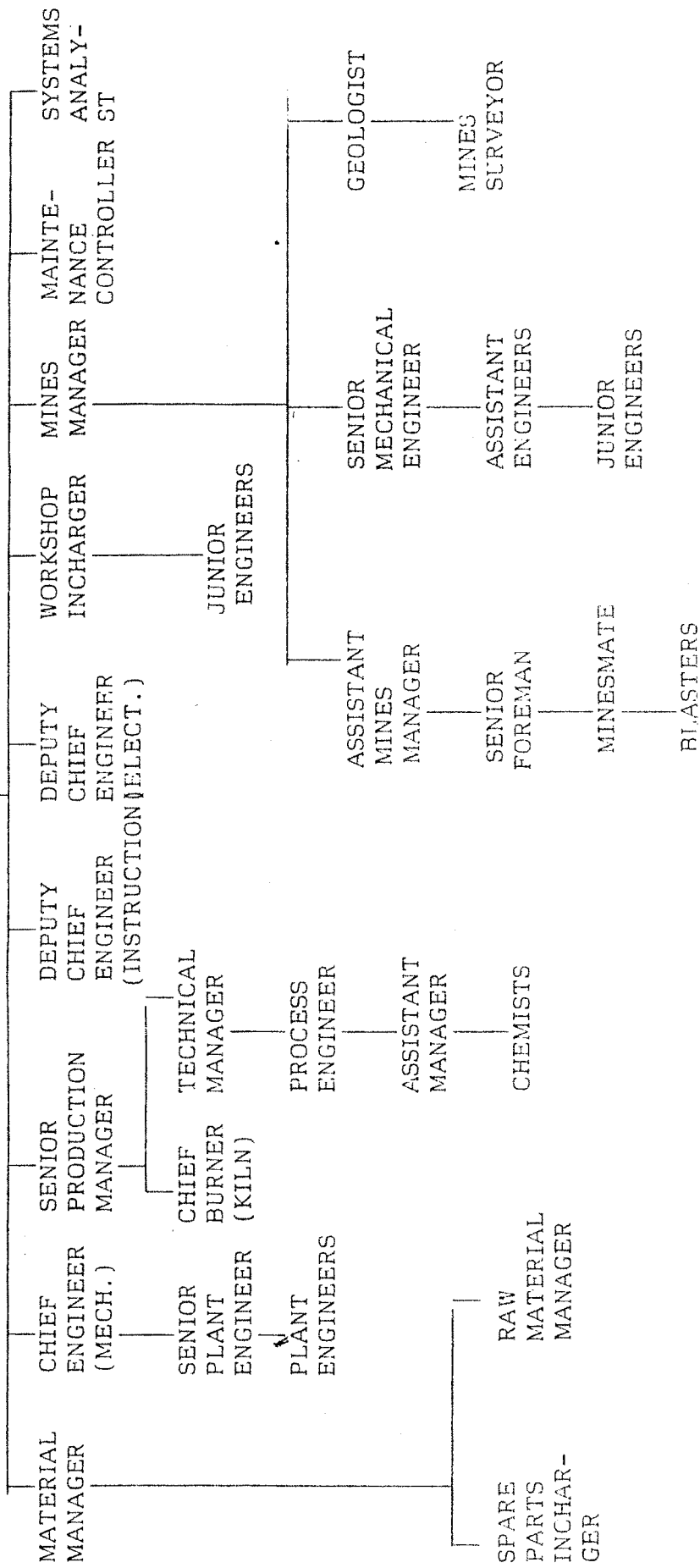
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GENERAL MANAGER (COMMERCIAL)



GENERAL MANAGER (WORKS)



HIGH LIGHTS OF THE COMPANY

The Bagalkot Udyog Limited, Bagalkot has a consistent track record of growth.  
The following key figures speak for themselves.

	(Rs. in Lakhs)				
PARTICULARS	1986-87	1985-86	1984-85	1983-84	1982-83
Sales	4775-75	2293-05	2080-24	1784-30	746-09
Gross Profit	669-21	275-84	288-60	385-53	102-61
Profit after interest & Depreciation	102-09	48-12	69-20	191-49	2-19
Net Fixed Asset	2034-33	1416-64	1580-84	1722-63	1152-18
Share Capital	302-95	100-25	100-25	100-25	100-25
Equity Dividend	60-54	15-00	15-00	15-00	-
Dividend(Rs. per equity share)	2-00	1-50	1-50	1-50	-
Book Value (Equity share)	36-25	50-07	46-76	40-34	22-29
Earning ( " " )	2-84	4-81	6-92	19-54	0-35

Source : Annual Report 31st December 1987. Bagalkot Udyog Limited, Bagalkot.

TRADE UNION :

There are two strong Trade Unions working in the company. One is Affiliated to Centre of Indian Trade Union. Unions are collecting from all the members Rs.1/- has membership fees. Unions are looking after the welfare of the members and his family at the time of sick, accidents and other family disturbances. All the members are happy with the Trade Union activities and they are extending full co-operation with the leaders. There is co-ordial relation between Management and Union in solving workers problms.

MAN POWER :

The working staff strength of Bagalkot Udyog Ltd., Bagalkot at plant and at the mine is 538. Out of 538 the number of workers working at plant 300 and at the mine 42 and remaining 196 the other ranks.

## Man Power Strength

Work Place	Workers	Other Ranks	Total
Plant	300	165	465
Mine	42	31	73
	342	196	538

The company running its business with limited number of workers due to the modernisation and technological developments which have taken place in recent years.

## Departments in the Company and Working Staff Strength

Sl.No.	Department	No. of persons
1.	Crusher and Belt	14
2.	Cement Mill	24
3.	Raw Mill	9
4.	Kiln	34
5.	Compressure House	11
6.	Packing House	13
7.	Laboratory	17
8.	Material Feeding	11
9.	Workshop	107
10.	Electrical	21
11.	Civil	9
12.	Driving	1
13.	Sanitation	2
14.	Drawing Office	1
15.	Watch and Ward	11
16.	Instrumentation	7
17.	Personnel	4
18.	Canteen	12
19.	Work Dispensary	2
20.	Sales	5
21.	General Office	9
22.	Stores	6
23.	Raw Material	2
24.	Projects	1
25.	Tranee Engineers	18
26.	General Pool ( Time Office )	17
27.	Desil Generating	8
28.	Mine	73
29.	Company Grade (Office Staff)	90
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		538

Source: Register : Time Office Department.  
Bagalkot Udyog Ltd., Bagalkot.

WELFARE AMENITIES PROVIDED BY BAGALKOT UDYOG LTD.BAGALKOT

Labour Welfare is under the charge of Personnel Manager of the Company. To provide labour amenities company has followed the statutory requirements of Factory Act 1948, state rules and Wage Board Awards. The following labour amenities are provided by the company to its workers and which are divided into two categories :

- 1) Welfare Amenities Inside the Work Place.
- 2) Welfare Amenities Outside the Work Place.

1) Welfare Amenities Inside the Work Place :

Work Environment :

- i) Safty and cleanliness in various sections of the production process are maintained at a moderate level. Since the cement is dust product it is natural that the environment needs repeated and continuous efforts on the part of management. Since it is open industry involving the problem of cleanness the management is trying its best in this direction. Attempts are made by the management to maintain sanitation with regards to temperature humidty, lighting, elimination of dust smoke fumes.
- ii) The company works in shift system. The shift system

is divided into three shifts viz.

'A' Shift from 12 midnight to 8 AM.

'B' Shift from 8 AM to 4 PM.

'C' Shift from 4 PM. 12 Midnight.

iii) A number of workmen's safety measures are introduced by the company. They include provision of guards, helmets aprons, goggles, rain coats and white cloth to prevent dust breathing.

iv) The company provides two sets of stitched cotton uniforms and a pair of shoes every year.

v) Allowances :

a) Dust Allowance : To protect the health of the workers from the dust the company is paying dust allowance to the workers who are working in crushers and belt, Drilling and Packing House. The allowance of Rs. 15/- per month in cash is paid for the purpose. It is also paid in kind in the form of Coconut Oil (20 gm) Jaggery (15 gm) and washing soap (100 gm) per week per worker. The option of choosing either cash or kind is left to the discretion of the workers. However a majority of worker are found to be opting for cash.

b) Washing Allowance : Cement itself is the dust product which require regular washing of cloths. In view of this company pays Rs. 10/- per month to each worker.

c) Heat Allowance : To protect the health of the worker from the radiation of heat the company has taken protective measures moderately. In addition, it pays cash allowance to the workers of kiln section such as Burner and Cooler Attendants get 5% and Oilmen get 2½% of their basic wages on the actual physical attendance.

d) Heavy Vehicle Allowance : The drivers of heavy vehicle such as Buldozer, Dolberg and Truck get Rs. 1/- per day other than their usual pay or the maximum of Rs. 26/- per month.

e) Night Shift Allowance : The workers engaged in night shift from 12 mid-night to 8 Am. are paid Rs. 1/- per day for coffee and bread in addition to their usual wages.

The company serves tea free of cost to all those employees working in 'c' shift i.e. from 4 PM. to 12 Mid-night.

6) At the entrance of time office the company maintains notice boards displaying posters and notices concerned to the workers.

Conveniences :

1) Urinals and Lavatories : The company has provided sufficient number of Urinals and Lavatories at different places and they are kept clean.



2) Bath Rooms : The company maintaining 10 moderately equipped bathrooms for the cleanliness of the workers.

3) Drinking Water : There is sufficient supply of water in the factory premises. Water points are marked in Kannada as DRINKING WATER at convenient places.

4) Canteen : The company has provided a big building with well-equipped furniture for the canteen. It is run by the company and is managed by canteen committee. The eatables are provided at subsidised rates.

5) Rest Room : The company has provided a big hall attached to the Time Office for workers' rest.

6) Health Services : The company runs its own work Dispensary. The company has extended several medical facilities to its workers. A worker with less than Rs.1600/- wages per month gets the medical facility at E.S.I. A worker getting about Rs. 1600/- per month and other employees of the company are entitled to get medical facilities at the work Dispensary. Half-month's salary is paid to the workers of all category for special treatment.

7) Economic Services : The company provides interest-free loans to workers for various purposes such as marriage, education and house-construction. For house-construction cement is supplied at a reasonable rate.

The company provides other economic services such as Provident Fund, Gratuity, (15 days salary of each completed years of service, to workers having a minimum of five years service) Bonus, (8.33%) Festival Advances (Rs.300/- once a year), Family Pension, Encashment of Sick and Causal Leave (50% of basic plus D.A. and varying D.A) Acting Allowances, Leave Travell Allowance (Rs.180 per year), properly in accordance with the awards of the Wage Board.

8) Human Resource Department of the company is rendering services in promoting education and training to the workers regarding new techniques of production.

Monthly Pay of a Worker :

At the end of each month a bigner worker in the company will get Rs.1582-10 as his total pay.

WAGE STATEMENT

(per month - as on Aug 1989)

Basic Pay	:	Rs. 620-10
Fixed DA	:	Rs. 824-20
Varing DA	:	Rs. 8-32
H.R.A.	:	Rs. 49-92
Conveyance Allowance	:	Rs. 9-88
Washing Allowance	:	Rs. 9-88
Education Allowance	:	Rs. 9-88
Settlement Benefit	:	Rs. 49-92
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TOTAL		Rs.1582-10
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WELFARE AMENITIES OUTSIDE THE WORK PLACE - B

- 1) Housing : The company has provided accommodation to 39 workers in the form of " tatti house " having facilities such as water and electricity. Rest of the workers are residing at Bagalkot City and surrounding villages. To compensate this the company pays Rs. 50/- as H.R.A. as per the wage Board awards.
  
- 2) The company has mentioned roads, play ground, recreation hall (cum library) and beautiful ' Shiva Temple' with its attractive, well maintained park.
  
- 3) The company runs a Primary English Medium School with well-qualified staff. The children of the workers have to pay fees. The company pays Rs. 10/- per month per worker as education allowance.

To promote education of the workers' children the company has introduced monetary awards. The children of workers scoring above 75% of marks are given monetary benefits as follows :

Engineering & Medical	Rs.500/-	(once in a year)
Degree & Diploma	Rs.400/-	"
Pre-University	Rs.300/-	"
High School Level	Rs.150/-	"

4) Transport :

The company has not provided any transport vehicle to the workers. As per the Wage Board Award it pays Rs. 10/- to each worker per month as convenience allowance.

5) The company observes national festivals like Independence Day and Republic Day. On these days it conducts games.

6) The company has maintained an efficient watch and ward department for security.

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