

Chapter-3

Profile of Menon and Menon Ltd,

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Company Profile Menon & Menon Limited

3.1 History of Company

Chandran Menon was a man cast in the mould of true pioneer. His journey starting out as a young boy from Kodungallur, a small village in Kerala, to becoming one of the pioneers of the auto-component industry in India, is indeed

inspiring one. Between the covers of his biography, you will find every facet of this multi-dimensional personality; a struggler, a hands – on technocrat, a dreamer, a visionary, a compassionate soul, and a fighter to the very end.

The story is an inspiring account of how one man can get extraordinary things done from ordinary people. Menon's vision, spirit, and sheer grit not only ensured the growth of his own company and its people, but also put Kolhapur on the industrial map of India.

3.2 Company Detail

Introduction

Menon and Menon Limited was established in the year 1969 as a Private limited company. The terms of the company was changed from the year 2007 and it converted in to Public Limited company. It is one of the leading engineering companies in India, manufacturing grey iron cylinder blocks and cylinder heads in as cast and machined condition. Its operations are certified to the IS 16949 standards by Underwriters Laboratories Inc. USA. The company is located approximately 425 kilometers south of Mumbai, in the city of Kolhapur, Maharashtra State India.

It's facility, covering a built-up area of over 20,000 square meters has a well equipped foundry and machine shop. It also has adequate capabilities to design tooling and gauges required for the manufacture of cylinder blocks and cylinder heads. It is the first company in India to be certified to the QS 9000 series of Quality System Standards. It employs over 1000 people.

3.2a Location Advantage

Menon and Menon limited company is situated in Kolhapur city and enjoy the potential advantages in the form of cost and quality of the product. India, as is fairly well known, has a large pool of technical and managerial talent available at a fraction of the cost in developed countries. Due to this strength, it has the potential to become a manufacturing outsourcing hub for the world market.

- a] Products that demand a high level of manufacturing and manpower competencies can be cost effectively manufactured in India.
- b] The foundry industry is one such industry which requires a high level of human involvement. Menon & Menon involved in the manufacture of cylinder block and cylinder heads which are two of the most complex automotive casting to produce.
- c] It is therefore in a position to offer cost effective solutions to meet the requirement of discerning customers.
- d] Menon & Menon is rated among the top three foundries in India and it is the only foundry in India capable of casting and machining cylinder blocks and cylinder heads.

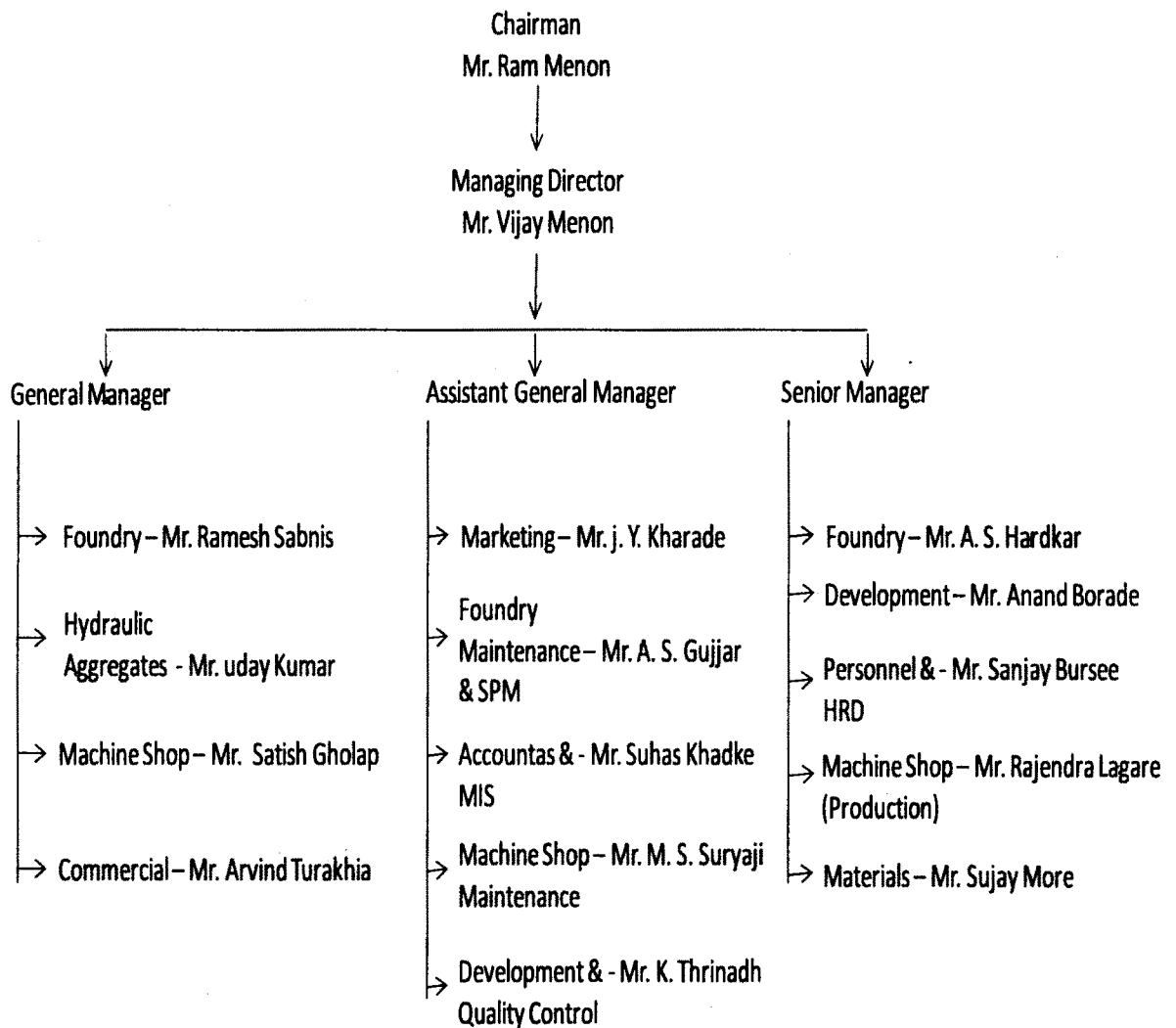
b] Corporate Mission

The Mission statement of Menon and Menon limited is-
“We will strengthen the institutions by the use of honest business practices, to maximize efficiency and profits, as only those that are strong will be of use to society”.

3.3 Management of Company

Corporate Personnel

Organizational Structure Of MENON and MENON Ltd.



3.4 Quality Policy

Enhancing customer satisfaction by continuously striving to –

- Produce products which meet requirements of quality, price, delivery and continual improvements there for.
- Develop trained and courteous employees who can understand customer requirements and produce products, which meet these requirement.

Through the implementation of this policy and quality management system, the organization shall strive to establish itself as a premier institution in the foundry and machining industry.

3.5 Safety Policy

According to Menon and Menon company all their work-

“Safety of personnel is of paramount importance”.

- (1) The company believes that all accidents are preventable and health risk should be minimum, this is guiding principle for us. We will comply with applicable laws and regulations.
- (2) The company believes that safety and health is as important as quality, quantity and cost of production.
- (3) Its line organization has ultimate responsibility for the health and safety of its people and products.
- (4) The company formulate further planning not only to continue the current safety and health activities but also to develop and adopt the latest technology development in our day to day working to achieve our zero accident goal.

3.6 TPM Policy

The people at Menon & Menon Pvt. Limited are committed to maximize overall plant effectiveness and customer satisfaction through –

- ❖ Employee skill enhancement
- ❖ Zero breakdowns, zero accidents and zero defects
- ❖ Elimination of all losses
- ❖ Total employee involvement
- ❖ A safe and clean environment

Financial performance:

Menon and Menon private limited prepare financial highlights every year, financial performance in shortly are as follows -:

Table 3.1 financial performance of Menon and Menon

Sr.no.	Item	2003-04	2004-05	2005-06	2006-07	2007-08
1	Share capital	1,03,73,000	1,03,73,000	1,03,73,000	2,00,00,000	2,00,00,000
2	Reserve and surplus	4,42,97,000	4,42,97,000	3,60,80,010	11,61,77,010	5,67,10,580
3	Total income	38,57,000	28,67,000	46,16,000	69,07,000	92,57,000
4	Total operating expenses	31,96,000	23,38,000	37,82,000	58,95,000	79,78,000
5	Net profit	22,000	1,52,000	3,99,000	5,06,000	2,85,000

Observations:

1. Share capital:-Share capital of the Menon and Menon Private limited in the year 2003-04 was Rs1,03,73,000. It will be same Rs1,03,73,000. in year 2004-05.during the year 2005-06 share capital . Rs1,03,73,000. and from the year 2006-07 to 2007-08 the share capital is Rs.2,00,00,000 it will increased and same for both the year.
2. Reserve and surplus:-Reserve and surplus of company isRs. 4,42,97,000 for the year 2003-04and2004-05 same and reserve surplus is increased Rs 3,60,80,010 for the year 2005-06 and this reserve is increased 3 times by Rs 11,61,77,010

in the year 2007-08.it goes down by Rs5,67,10,580 means company is unable to increase their reserve and surplus

3. Total income:-Total income of the Menon and Menon company in the year 2003-04 was Rs 38,57,000 and income is decreased by Rs. 28,67,000 in the year 2004-05 it will be decreased by Rs. 10,00,000,In the year 2006-07 total income was 46,16,000 during this year total income is goes on increasing by Rs18,00,000 f the or the year 2006-07 company also try to increased the income by Rs.69,07,000 and the year 2007-08 by total income by Rs. 92,57,000.it will be goes on increasing and it help to increased profit.
4. Total operating expenses:-Total operating expenses for year2003-04 was Rs. 31,96,000 and slightly expenses goes down by Rs. 23,38,000 for the year 2004-05.in the year 2005-06 total operating expenses is RS.37,82,000And in the year 2006-07 expenses is increased by Rs.98,55,000 and during the year 2007-08 was Rs. 79,78,000.these observations indicates that total operating expenses are increased and on the other hand income is comparatively increased.
5. Net Profit- Net profit during the year 2003-2004 Rs 22,000. In the year 2004-2005 net profit Rs.1,52,000 and it increased to Rs.3,99,000 in the year 2005-2006.Net profit was increasing by Rs.5,06,000 means net profit increasing faster in the year 2006-2007.In the year 2007-2008 Net Profit is going to decreased by Rs.2,85,000.means profit after tax is reduced by Rs.2,21,000.

3.7 Product Profile

Following product are produced by the company.

- a) Cylinder Block
- b) Cylinder Block Turbocharged.

- c) AVL Cylinder Block
- d) RDI Crankcase
- e) Tata 497 Cylinder Head
- f) Cylinder Head Valtra
- g) Nawistar Cylinder Head
- h) Kabota 4 Cylinder Head
- i) 061 Balo Cylinder Head
- j) BALO 046 Cylinder Head
- k) MAN Single Cylinder Head

3.8 Exports

Menon & Menon Limited is presently exporting machined cylinder heads, cylinder blocks to Italy, Germany and the United States. company products meet the requirements of our customers in a very cost effective manner.

In order to provide a high quality of service to our customers in the US, it has set up an engineering sales support office at Indianapolis, Indiana. Customers can call its Toll Free Number 18 G MENON 779 (18 66 365 677 9) for all their requirements.

Its customers list includes both original equipments manufacturers (OEMS) and replacement market as well.

Overseas customer include :

- 1) Arrow Engine Co., USA
- 2) Diesel Cast Welding, USA
- 3) Reviva Inc. USA
- 4) SANE – Deutz, - Fatir, Italy
- 5) Balo Moto rotex Gmb H. Germany

3.9 Awards

- ❖ The first QS 9000 company in India.
- ❖ ISO/IS 16949 certified by Underwriters Laboratories in the year 2004.
- ❖ Laxmanrao Kirloskar, “Best Foundry of the Year” Award - Instituted by the Institute of Indian Foundry men for the years 1998 & 2008.
- ❖ The “First Prize” for “Excellence in Energy Conservation and Management” from Maharashtra Energy Development Agency (MEDA) in the category of Metal and Steel for the year 2007-08.
- ❖ Golden Peacock National Quality Award for the year 1997 in the highly commended category for large industries.
- ❖ Best Vendor Awards from Maruti Udyog Ltd. For the year 1995 – 96.
- ❖ ACMA Quality Awards for the year 1995-96.
- ❖ Abee Quality Awards for the year 1995-96.
- ❖ NPC Productivity Award for the year 1994-95 and 1995-96.
- ❖ Certificate of commendation for exceptional performance by Arrow Specialty Co. USA.
- ❖ ISO 9001:2000 certified by Underwriters Laboratories in the year 2004.

3.10 Domestic Clients

- a) Mahindra & Mahindra (Automotive Division)
- b) Mahindra & Mahindra (Tractor Division)
- c) Hindustan Motors Limited
- d) Escorts Limited
- e) Escorts Limited (RED)
- f) Same Deutze Fahr India Pvt. Ltd.
- g) Tafe Motors and Tractors Limited.
- h) John Deer & Equipments Pvt. Ltd.
- i) International Tractors Limited

- j) Tata Motors Limited
- k) Maruti Suzuki India Ltd.
- l) Voltas Limited.

3.11 Tool Manufacturing

Tooling Manufacturing Capacity :

- 1) Modern CNC machines are utilized to manufacture the patterns, core boxes and prototypes.
- 2) Jig boring machines are used to manufacture very precise jugs required for precision mass manufacturing.
- 3) Pattern casting are cast in the company's cast iron foundry.

Tooling dictate the ultimate quality of the casting and so the company is one of the few foundries that manufactures the entire range of patterns, core boxes, core setting and transfer fixtures, special gauges and cutting tools required by it.