CHAPTER III

PROFILE OF THE UNITS SELECTED
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This chapter contains information of selected units about the nature of business, turnover, employee strength, etc., along with the organisational structure and the manufacturing process.

For the purpose of study, the "CASE STUDY METHOD OF RESEARCH" is adopted. The basic criteria of sectoral representation is applied to each unit selected from each sector for the purpose of research.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Unit Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Private Sector</td>
<td>Eurotex Industries &amp; Exports Limited</td>
</tr>
<tr>
<td>B) Government Sector</td>
<td>Shri Shahu Chhatrapati Mills</td>
</tr>
<tr>
<td>C) Co-operative Sector</td>
<td>Ichalkaranji Co-operative Cement Industries Limited</td>
</tr>
<tr>
<td>D) Service Sector</td>
<td>Ichalkaranji Janata Sahakari Bank Ltd. Branch Shahupuri, Kolhapur.</td>
</tr>
</tbody>
</table>
PROFILE

PRIVATE SECTOR
EUROTEX INDUSTRIES & EXPORTS LTD.
KOLHAPUR
3.1 Private Sector - Profile

1. Name of the unit: Eurotex Industries & Exports Limited

2. Address
   ii) Regd. office: Raheja Chambers, 12th Floor, 213, Nariman Point, BOMBAY - 400 021.


4. Nature of Business: This is an 100% export oriented unit engaged in manufacture and sale of cotton yarn and knitted fabric of various counts.

5. Particulars of Branches: The company has no branches.

6. Year of Establishment: The company is registered in 1987, The commercial
production is started in 1989.

7. Management

The company is managed by Managing Director and President under the overall supervision of board of directors. At present there are in all nine directors on the board. The head office of the company is situated at Bombay which looks after mainly export matters and other policy matters. The management at factory level looks after the production accounts and related matters.

8. Gross Turnover during the last five years (All rupees in Lacs)

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</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>1083.89</td>
<td>1786.92</td>
<td>3165.29</td>
<td>3224.79</td>
<td>3342.69</td>
</tr>
</tbody>
</table>

9. Net Profit (Loss) during the last five years (All rupees in Lacs)

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</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>40.71</td>
<td>200.20</td>
<td>483.67</td>
<td>355.51</td>
<td>361.31</td>
</tr>
</tbody>
</table>

10. Employment

550
Accounting System: Computerised.

If computerised, details of configuration:

- Unix multi-user system with 8 terminals are used for Statistical Quality Control, Stores, Cotton & Accounts departments which are fully computerised. In addition, Personal Computers are used in Production & personnel departments.

Whether independent costing department is there?: No.

Number of shifts operated: Three per day.

Market: Export.

Initial Cost of Project: Rs. 30 Crores.
16. Expansion/Diversification undertaken if any? When?

17. Capital Employed at present: Rs.60 crores.

18. Whether sick unit? No. This is a profit making running unit.

If yes Whether any rehabilitation programme implemented.

19. Listing on stock exchanges: Yes. Shares of the company are listed on Bombay stock exchange.

20. Current Market price of share: Rs. 40/- per share, (face value of Rs. 10/- per share.)

21. Whether covered under cost accounting records rules: Yes. Every year cost audit is carried out as per the rules. If yes, Whether cost audit
is ordered.

22. Audits Applicable

Statutory Financial Audit under The Companies Act.
Statutory Cost Audit under the Companies Act
Tax Audit under The Income Tax Act
Secretarial Audit under SEBI Act
Internal Audit under The Companies Act
In addition to the above, the company is carrying out regularly Energy Audit by their own staff.

23. Organisational Structure : The structure is enclosed separately in Table 3-A.

A) SPINNING SECTION :

In this section, cotton is converted into Yarn of the required fineness and quality. Machines involved are as follows.

1) Blow Room - For mixing and cleaning of cotton.

2) Carding - For further cleaning of cotton and for converting laps into sliver.

3) Comber - For production of combed slivers.

4) Draw Frames - For paralisation of fibers and evenness of sliver by drawing number of carding and comber slivers into one draw frame sliver.

5) Inters - For converting draw frame sliver into thinner rove with small twist added and finally,

6) Ring Frames - For spinning yarn of the required fineness, strength etc. from inter rove.

B) WINDING SECTION :

In this section, the yarn manufactured on Ring Frame is being wound on cone.

Different winding machines are being used in this department. Yarn Doubling activity is also carried on in this Section.

C) PACKING SECTION :

Here Yarn and Knitted Fabric are being packed for sales.

A) After receiving yarn from cone winding section, the yarn is knitted on knitting machine and sent to packing section.
PROFILE

GOVERNMENT SECTOR

SHRI SHAHU CHHATRAPATI MILLS, KOLHAPUR

(UNIT : M.S.T.C. LTD.)
3.2 Government Sector - Profile

1. Name of the unit: Shri Shahu Chhatrapati Mills

2. Address:

   i) Factory: Shahupuri, Kolhapur-416 001.

   ii) Regd. office: Maharashtra State Textile Corporation Ltd., (Govt. of Maharashtra Undertaking), Lotus House, Marine Lines, Bombay.

3. Constitution: A unit of MSTC Limited (Public Sector Undertaking)

4. Nature of Business: Composite textile mill (Manufacture and sale of cotton yarn, grey and processed cotton cloth)

5. Particulars of Branches: No.

7. Management : The mill is old one which was taken over by MSTC Ltd. (State Govt. Undertaking) Presently the unit is controlled by MSTC Ltd. At the mill level the overall management is looked after by the General Manager.

8. Gross Turn over during the last five years : (All rupees in Lacs)

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</thead>
<tbody>
<tr>
<td>Amount</td>
<td>1254.28</td>
<td>1369.03</td>
<td>1571.43</td>
<td>1735.93</td>
<td>1851.25</td>
</tr>
</tbody>
</table>

9. Net Profit (Loss) during the last five years : (All rupees in Lacs)

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</thead>
<tbody>
<tr>
<td>Amount</td>
<td>52.50</td>
<td>50.63</td>
<td>(81.72)</td>
<td>(129.74)</td>
<td>60.75</td>
</tr>
</tbody>
</table>

10. Employment

i) Technical : 67
ii) Administrative : 75

iii) Skilled : 721

iv) Unskilled : 258

v) Other : 166

11. Accounting System : Part of Accounting System is followed
   If computerised details: computerised. There are plans to computerise entire operation.
   of configuration The unit is having 2 PC AT 386 machines.

12. Whether independent costing department is there ? Yes.

13. Number of shifts operated : Two.
    per day


15. Expansion/Diversification: No. Only modernisation in undertaken if any ? phases
    When? is undertaken by the unit during last about five years.
17. Capital Employed at: Rs. 12.45 crores.

   If yes whether any rehabilitation implemented: The rehabilitation programme is under consideration. The case is pending with Board for Industrial Finance & Reconstruction (BIFR).

19. Listing on stock exchanges: No.

20. Current Market price of share: N. A.

21. Whether covered under cost accounting rules: Yes
   If yes, Whether cost audit is ordered: Yes

22. Audits Applicable:
    Statutory Financial Audit under The Companies Act.
    Statutory Cost Audit under The Companies Act
    Tax Audit under The Income Tax Act
    Internal Audit under The Companies Act
    In addition to the above company is carrying out regularly Energy Audit by their own staff.
23. Organisational Structure: The organisational structure is enclosed separately in this chapter in Table 3-B.

In this section, cotton is converted into yarn of the required fineness and quality. Machines involved are as follows.

1) Blow Room - For mixing and cleaning of cotton.

2) Carding - For further cleaning of cotton and for converting laps into sliver.

3) Draw Frames - For paralisation of fibers and evenness of sliver by drawing number of carding slivers into one draw frame sliver.

4) Inters - For converting draw frame sliver into thinner rove with small twist added and finally.

5) Ring Frames - For spinning yarn of the required fineness, strength etc. from inter rove.
In this section, yarn is converted into cloth of the required dimension/construction etc. warp yarn which is used lengthwise undergoes following processes.

1) B.C. Winding - For obtaining cones of yarn from pirns on automatic winding machines.

2) Coneing - For obtaining yarn package of longer length.

3) Warping - For taking in the required number of threads on the beams.

4) Sizing - For application of the starches etc. to yarn for increasing its strength for convenience of weaving.

5) Drawing - For drawing the threads of the sized yarn through reeds depending upon the type of weave required in the cloth manually, and

6) Looms - For weaving purpose and obtaining a fabric from warp and weft yarn of the required pattern.

There are additional optional processes also.

1) Doubling - Where two or more number of threads are twisted together.

2) Reeling - Where yarn is reeled in hank form for selling purpose.

3) Bundling - Where yarn is bound in small bundles of 4.5 or 5 kgs each for convenience of packing.

4) Pirn Winding - For auto looms, weft yarn is rewound from cones which are prepared from ring pirns (mostly warp frames).
1) Bleaching - Cloth is processed with the help of machines like Kier, Washing Machine, Scughers etc to remove starches, impurities etc and to impart whiteness to the fabrics.

2) Dyeing - Dyeing is done on machine called Jigger. The process involves application of the required colours to the fabric with the help of chemicals.

For Masari type of cloth, cotton is dyed separately and dried and then mixed with other cotton in mixing room and fed to Blow Room.

3) Back Filling - This process involves application of starches to the fabric for imparting certain finish to the fabric.

4) Finishing - This is done on stenter. It is meant for imparting a final finish to the fabric, as well as stretching the width to the desired extent.

5) Calendering - This process involves pressing the cloth while passing it through rollers on the machine, to give good appearance to cloth.
D) PACKING SECTION

1) Cloth Packing - In this section, finished cloth ready for packing is checked for segregating good and defective pieces, cloth is folded on machines, pieces of cloth are stamped (Texmark, merchant number etc) and these pieces of cloth are wrapped in protective/decorative paper etc and finally the required number of pieces/metres are packed in the form of bales. Packing is done sortwise in multiple of quarter metre.

Baling is done on the Bale press and baling material generally used is hessian cloth, craft papers, polybase sheets, iron hoops etc.

Cloth pieces of short lengths are classified as Fents, Rags and Chindies depending on the piece dimension as per statutory regulations regarding packing.

2) Yarn Packing - Hank Yarn for sale is first bundled as mentioned above and these bundles are packed in bales.

Yarn cones meant for sale is generally packed in bags of hessian cloth.
PROFILE

CO-OPERATIVE SECTOR
ICHALKARANJI CO-OP.CEMENT INDUSTRIES LTD.
ICHALKARANJI
3.3 Co-operative Sector - Profile

1. Name of the unit: Ichalkaranji Co-operative Cement Industries Limited

2. Address
   ii) Regd. office: 9/190, Adat Peth, Ichalkaranji.


5. Particulars of Branches: No Branch.


7. Management: The day to day affairs of the unit are managed by the General
Manager and the policy matters are decided by the Chairman, and Vice Chairman, under the overall guidance and supervision of the board of directors. Since the State Govt. has contributed share capital to this unit, it has nominated the District Deputy Registrar, Co-op. Societies Kolhapur on the board as Government nominee.

8. Gross Turn over during \( \text{(All rupees in Lacs)} \)
the last five years

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</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>41.83</td>
<td>63.82</td>
<td>48.00</td>
<td>46.88</td>
<td>33.40</td>
</tr>
</tbody>
</table>

9. Net Profit (Loss) during \( \text{(All rupees in Lacs)} \)
the last five years

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>(6.33)</td>
<td>(3.04)</td>
<td>(7.12)</td>
<td>(11.28)</td>
<td>(24.27)</td>
</tr>
</tbody>
</table>

10. Employment

i) Technical : 8

ii) Administrative : 8
followed
If computerised, details : N.A.
of configuration ?

12. Whether independent costing department is there ?
   : No.

13. Number of shifts operated : Three
   per day

14. Market : Domestic

15. Initial Cost of Project : Rs. 50 Lacs

16. Expansion/Diversification : Yes,
   When ?

17. Capital Employed at present : Rs. 2.00 crores

18. Whether sick unit ? : Yes
If yes, Whether any rehabilitation implemented.

19. Listing on stock exchanges: N.A.

20. Current Market price of share: N.A.

   If yes, Whether cost audit is ordered.

22. Audits Applicable:
   Internal Audit - Maharashtra State Co-op. Societies Act.

23. Manufacturing Process: The detail manufacturing process is given herewith.
Manufacturing Process:

The brief process of manufacture of Ordinary Portland Cement by Vertical Shaft Kiln (V.S.K.) process as used by the unit is as below:

Lime stone, coke breeze, clay and other additives, such as charcoal etc. as required are crushed and stored automatically to different silos wherefrom they are again taken out in desired proportion by a weigh batcher. They are further conveyed to a preblender and the blended material is thoroughly ground in a open circuit ball mill to form homogenized raw mix, from where it is conveyed through an elevator to blending silos and later to a storage silo. This raw mix is subsequently lifted to the hopper of a noduliser, where nodules are formed.

These nodules travel downwards into the kiln through a rotary chute to find a access to the pre heating zone followed by calcination and clinkering zones, wherein drawing, preheating calcining and sintering takes place, leading to conversion of nodules into clinker. This clinker is received from the kiln through the cooling zone, which is subsequently mixed with gypsum in suitable proportion for further grinding in the cement mill to produce the finished product i.e. pure Ordinary portland cement.
Organisational Structure

The organisational structure is enclosed separately in this chapter in Table 3-C.
| Table 2-C |
| ICHALIARANJI CO-OPERATIVE CEMENT INDUSTRIES LIMITED |

**Organisational Structure**

```
+---------------------+
| Members             |
+---------------------+
    |
+---------------------+
| Board of Directors  |
+---------------------+
    |
+---------------------+
| Chairman            |
+---------------------+
    |
+---------------------+
| Vice Chairman       |
+---------------------+
    |
+---------------------+
| Managing Director   |
+---------------------+
    |
+---------------------+
| General Manager     |
+---------------------+
    |
+---------------------+
| Manager             |
+---------------------+
    |
+---------------------+
| Security Personnel  |
+---------------------+
    |  |
+---------------------+
| Accountant          |
+---------------------+
    |  |
+---------------------+
| Sales Incharge      |
+---------------------+
    |  |
+---------------------+
| Production Incharge |
+---------------------+
    |  |
+---------------------+
| Stores Incharge     |
+---------------------+
    |
+---------------------+
| Clerks              |
+---------------------+
    |
+---------------------+
| Cashier             |
+---------------------+
    |
+---------------------+
| Supervisors/Chemists|
+---------------------+
    |
+---------------------+
| Clerks              |
+---------------------+
    |
+---------------------+
| Excise clerks       |
+---------------------+
    |
+---------------------+
| Clerks              |
+---------------------+
    |
+---------------------+
| Workers             |
+---------------------+
    |
+---------------------+
```

This table illustrates the organisational structure of the ICHALIARANJI CO-OPERATIVE CEMENT INDUSTRIES LIMITED.
PROFILE

SERVICE BEATAR

ICHALKARANJI JANATA SAHAKARI BANK LTD.
BRANCH - SHAHUPURI, KOLHAPUR
3.4 Service Sector - Profile

1. Name of the unit: Ichalkaranji Janata Sahakari Bank Ltd.
   Branch Shahupuri, Kolhapur.

2. Address
   i) Branch: Shahupuri, Near B.T. College,
      Kolhapur
   ii) Regd. office: Main Road, Ichalkaranji.


4. Nature of Business: Banking

5. Particulars of Branches: No

6. Year of Establishment: 1985 (Shahupuri branch)

7. Management: Branch is controlled by Branch Manager under the overall supervision and guidance from Head Office. In addition there is a local advisory committee for the sanctioning of loans up to specified limit.
8. Gross Turn over during the last five years (All rupees in Lacs)

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</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>34.52</td>
<td>40.04</td>
<td>44.18</td>
<td>67.41</td>
<td>95.47</td>
</tr>
</tbody>
</table>

Deposits

| Amount | 297.06 | 365.04 | 395.05 | 469.57 | 622.14 |

Advances

| Amount | 217.81 | 319.79 | 338.33 | 376.32 | 507.32 |

9. Net Profit (Loss) during the last five years (All rupees in Lacs)

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>4.82</td>
<td>1.61</td>
<td>13.70</td>
<td>8.53</td>
<td>16.39</td>
</tr>
</tbody>
</table>

10. Employment

i) Managerial : 1

ii) Officers : 4

iii) Clerks : 15
iv) Peons & Watchmen : 6

followed
If computerised details
of configuration ?

12. Whether independent : No
costing department is
there ?

13. Number of shift operated : General (Single Shift)
per day


15. Capital Employed at present : Rs. 7.70 Crores.

If yes Whether any rehabilitation programme implemented.

19. Listing on stock : N.A.
exchanges

20. Current Market price of share : N.A.
21. Whether covered under cost accounting records rules
If yes, Whether cost audit is ordered.

22. Audits Applicable:

Internal Audit - Maharashtra State Co-op. Societies Act.
Inspections - Reserve Bank of India.

23. Organisational Structure: The structure is enclosed herewith in Table 3-D.
TABLE 3-D
ICHALKARANJI JANATA SAHAKARI BANK LIMITED
BRANCH SHAHUPURI, KOLHAPUR.
ORGANISATIONAL STRUCTURE

+---------------------+  
|                    |  |
|  Br. Manager        |
|                    |  |
|                    |  |
|---------------------|
|                    |  |
|  Officers           |
|  (4)                |
|                    |  |
|                    |  |
|---------------------|
|                    |  |
|  Peons              |
|  (4)                |
|                    |  |
|                    |  |
|---------------------|
|                    |  |
|  Watchmen           |
|  (2)                |
|                    |  |
|                    |  |
|---------------------|
|                    |  |
|  Clerks             |
|  (15)               |
|                    |  |
|                    |  |