

CHAPTER II

OVERVIEW OF THE COMPANIES STUDIED

The Industrial area of Pune is prominently populated by Engineering Units. In fact as is seen from Figure 1 about 41.60% of the industries in Pune Metropolitan Region are in the Engineering sector. This student is also himself an employee of a Engineering company. For these two reasons, it was decided to conduct a study on contract employment in Engineering Industry in Pune.

To this end, companies were selected from the Industrial Directory of Maharashtra Chamber of Commerce. After a very short discussion with the concerned authorities in each of the companies, permission for interviews with all segments of the population in

order to enable collection of data, was very quickly given.

It was only in the case of Telco that inspite of three visits and numerous phone calls, and inspite of the reputation of the Tatas as being progressive and open minded, no success was met with. Permission for interviews for data collection was refused, inspite of employing a large number of workmen on contract basis. This was in April/May 1988. Perhaps the Management was already aware of the impending labour trouble which was soon to engulf the company.

A brief description of each of the companies where this study was carried out follows: The thread which links all of them is the fact that in greater or lesser number, everyone of these companies employ contract labour.

KALYANI STEELS LIMITED :

This company was established in 1973 and started production in 1975. Today the number of employees is 590 and the turnover as of 31.3.91 is approx.Rs.99 crores.

Kalyani Steel manufactures Forging Quality Carbon and Alloy Steel.

It has state of the art equipment including an Ultra High Power Furnace, a Ladle Furnace with Vacuum Degassing, Electro Slag Remelting facilities, the largest Concast Bloom Caster in the private sector in India, three sizes of Rolling Mills and various allied equipments. The company has been consistently profitable in the last few years, and has been continuously expanding. Its latest venture is to set

up a Seamless Tube Division in Baramati where the investment is of the order of Rs. 180 crores. It also has plans to set up a Sponge Iron plant in Raigad district.

ELLORA ENGINEERING CO.LIMITED

Started in the year 1979 it has a total of 240 employees. It is specialised in the manufacture of close tolerance forgings mainly for the automobile industry and in that segment has specialised in the manufacture of connecting rods and gear components for the two and four wheeler industry. Through the medium of precision closed die forging it has achieved a turnover of about Rs. 12 crores and plans to more than double its capacity over the next few years.

BUCKAU WOLF

Established in 1957 it had then just 150 employees. Today the employees' strength is around 1200 and the turnover is about 100 crores. Initially, the company started with the manufacture of Sugar Mill Machinery. It then moved on to undertake turn key projects from designing to manufacture to erection and commissioning of complete sugar plants both in India and abroad.

It has gone on to enter the material handling field as well as design and manufacture of Cement Machinery, Crushing systems for use in mining and the manufacture of plant and machinery for the manufacture of sponge iron. It also makes Boilers for the burning of low grade fuel, Bagasse, drying plants etc. It has technical tie ups with Krupp, Deutsche Babcock Werke and Mannesmann Demag of Germany and

Rader of Canada.

KIRLOSKAR CUMMINS :

It was incorporated in 1962 in collaboration with Cummins Engine Co. of the United States of America , for the manufacture of High Speed Internal Combustion Engines. Kirloskar Cummins has 1800 employees and sales of Rs. 269 crores. Cummins produces sixteen different engine models in over fifty configurations in the 60 to 100 horse power range. The Research and Development Wing has adapted engines for over 400 applications including high tech export applications. Cummins diesel engines have been exported worldwide. Cummins Diesel Sales and service which is responsible for service support, is a wholly owned subsidiary of Kirloskar Cummins Limited. This company is considered a leader in the field of manufacture of diesel engines.

BAJAJ AUTO LTD.

The company started in 1965, has a total of about 11000 employees at its Akurdi Works and about 7000 at its Waluj works. Total turnover of the company was Rs.624 crores.

A high profile company, it is well known as Bajaj is the largest two wheeler manufacturer in the country and its products can be seen on every road. As per the 1987 ranking of Indias' top private sector companies, Bajaj was the 7th in turnover and 2nd highest in profits. It has also received the Economic Times and Havard Business School Association of India award for Corporate performance.

TRINITY ENGINEERS LIMITED:

This company belongs to the Amforge Group of companies. It was started in 1962 and now has a total of 525 employees and turnover of Rs. 28.00 crores. It is in the field of manufacture and sale of Forgings for diverse applications, including the defence department but mainly for use as original equipment by automobile manufacturers. The weight of these forgings is from 500 gms to 30 kg. The company has ambitious plans and intends to export its products also.

PUNE FURNACE AND EQUIPMENTS CO.PVT.LTD:

Started in 1979, the turnover of this company is about Rs. 2.66 crores. There are 35 employees engaged in furnace fabrication, steel forging, die repair and

general fabrication.

The company is looking for a technical tie up with some prominent foreign company in the fields in which it operates. Though small, in fact the smallest of the companies in this study, it has a good record of growth and profitability.

THERMAX PVT.LTD:

The company initially started as Boiler manufacturer but has gone on to enter very diverse fields such as Pollution Control, Industrial Water Treatment, Surface Coating, Chemicals, Process Equipment, Grain Storage Systems, Computer Soft Ware and Electronics. It has technical tie ups with a large number of companies in at least seven different Industrially advanced countries and has received a variety of awards for Technology and Innovation, Export, R&D, Productivity

etc. It has a total about 2600 employees and a turnover of Rs. 217 crores.

It has a most enviable record of growth and ambitious plans. It is one of the high performance companies in the study.

BHARAT FORGE :

Incorporated in 1961, it manufactures forgings for a wide variety of customers including the automobile industry the Indian Railways and for defence. It employs 2400 employees and has a turnover of RS. 247 crores. Till the end of the seventies the company concentrated on manufacture of automotive forgings. With the eighties the company diversifised into a multifaceted engineering company, incorporating a machined component division as well as a general

engineering division. Initially started with American collaboration, on its completion the company now has an agreement with a Japanese firm.

It has undertaken a big expansion program and has recently invested about Rs. 90 crores in a pressed forging line said to be the most advanced of its kind in the country.

The factor linking all these companies together as far as this study is concerned is that they are all in the engineering field and all employ Contract Labour for one job or the other. The Selection of these companies for this study was done on the basis that they were all in the Engineering field, and that they all employ contract labour, and that they would permit such a study to be carried out.

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Out of the available number of companies which meet the above criteria, these companies were selected as being representative of the Engineering Industry in Pune as such. The Industrial and Commercial Directory of the Maharatta Chamber of Commerce proved of great assistance in arriving at the above list.

Data was actually collected from all the above companies during the period March to May 1988.