



GNITED MINDS
Journals

*International Journal of
Information Technology
and Management*

*Vol. VII, Issue No. X,
November-2014, ISSN
2249-4510*

REVIEW ARTICLE

AN STUDY ON CORPORATE SECTOR UNIT; KIRLOSKAR

AN
INTERNATIONALLY
INDEXED PEER
REVIEWED &
REFEREED JOURNAL

An Study on Corporate Sector Unit; Kirloskar

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INTRODUCTION

More than a century since the Kirloskar story started. It started with an aim of becoming the pioneers in fields in which our country needed innovation. In the 100 years and more that we have been in existence as a family and as an organization, we've been seminal to Indian agricultural and industrial development. We gave India its first iron plough, pump and engine; inventions that were devised from the need of the hour and went on to become signs of the time. Which is why our group history can in many ways can be considered a history of the economic and industrial revolution in India.



Revenue

▲\$3.50 Billion USD (2008)

Employees

~20,000 (2004)

Website

The founder and the first factory village

The Kirloskar story starts with Laxmanrao Kirloskar, the founder. A man who believed that an understanding of one's environment and reality was essential to the manufacture of path-breaking industrial implements. From this steadfast belief was born the iron plough, the first Kirloskar product. Originally intended as an essential aid to agriculture, the plough soon became an icon of reform and revolution. A highlight of the early history of the group is Kirloskarvadi, India's first industrial township. A model factory-village created by Laxmanrao and his band of dedicated workers.

In January 1910, when the Kirloskar were being ousted from Belgium to make room for a new suburb, they found themselves in dire need of a place to live and work. Sensing this need, the Raja of the princely state of Aundh, who admired and respected Laxmanrao Kirloskar, offered the latter all the land he needed in Aundh state.

Two months later, Laxmanrao Kirloskar set foot on 32 acres of barren land strewn with cacti and infested with cobras. Driven by his faith in human ability, Laxmanrao banded together 25 workers and their families and succeeded in transforming the barren expanse into his dream village. Ramuanna, Laxmanrao's brother, planned and administered the township, Shamburao Jambhekar doubled as engineer and all-round healing man, K. K. Kulkarni, an unsuccessful student, became a manager, treasurer and odd jobs man, Mangeshrao Rege was the clerk and chief accountant, Anantrao Phalnikar, a school drop-out flowered into an imaginative engineer. Such was our founder's faith in the human being that, Tukaram Ramoshi and Pirya Mang, both convicted dacoits, became the trusted guards of

Type	Private
Industry	Conglomerate
Founded	1888 (As Kirloskar Brothers Limited)
Headquarters	Pune, Maharashtra, India
Area served	Worldwide
Key people	Sanjay Kirloskar, (Chairman & MD)

Kirloskarvadi!

The first Kirloskar Group Company

Kirloskar Brothers Limited (KBL) - the first Kirloskar venture at Kirloskarvadi was to become the base for all of the Kirloskar Group's subsequent enterprises. It began as the only Indian company with its own standard products - the fodder cutter and the iron plough, which competed with the British products.

KBL also manufactured groundnut shellers, sugarcane crushers and pumps, which were to usher in a new economic order in the Indian industry. To power these machines, diesel engines, coal gas

generators and electric motors were developed at Kirloskarvadi. In a display of great versatility, KBL then shifted its focus to fluid handling and control. As India's largest manufacturer of pumps and valves, and also the group's flagship company, KBL lends its strength and expertise to every new venture of the Kirloskar Group.

Playing a part in the War

The intensified boycott of the British goods and the approaching World War threatened to stop imports of machine tools into India. The Kirloskar, with characteristic foresight began making machine tools. This paradigm shift of sorts, from farm implements to machine tools, created a new company - The Mysore Kirloskar Limited. This company, situated in Harihar, benefited greatly from the patronage of yet another Raja - the Maharaja of Mysore. In the first month of production, Mysore Kirloskar sold all of manufactured seven lathes.

From colonialism to independence

An important change, for the country, and for one of its premier industrial houses, the Kirloskar Group. The altered political climate of the 1940s heralded the end of the princely patronage for enterprise. The policy shifts and changes in authority were the order of the day. This marked a turning point for the group.

Shantanurao Kirloskar, the eldest son of the founder traveled to Pune to initiate a new aspect of the group's activities - diesel engines. His experience of trying to secure the land for his factory in Pune was quite different from his father's in Kirloskarvadi. There was no benevolent ruler here to bestow acres gratis. Shantanurao had to face the tangle of red tape and public resistance to acquisition of land for industrial purposes.

Finally, after arguing that factories have a longer life than human beings Shantanurao Kirloskar won a place for Kirloskar Oil Engines Ltd. (KOEL), twelve months after signing an agreement of collaboration with Associated British Oil Engines Export Ltd. of UK. This collaboration, incidentally, was the first of its kind between an Indian and a foreign company, and signified a bridging of the technological gap between east and west. The KOEL factory was incorporated in 1946, and soon after that gave India her first vertical high-speed engine. Brijlal Sarda, who reported its satisfactory running for over 4 decades, bought this first engine!

A new direction - services

The phenomenal success of the Kirloskar name prompted entrepreneurs and businessmen of the time to approach the group for guidance and expertise. This gave birth to the concept of formalized engineering consultancy and a new company - Kirloskar Consultants Limited (KCL) in 1963. Marking an

extension of the group's repertoire from manufacturing to services, KCL, in its 25 years of operation, has contributed to critical areas such as defense, irrigation, roads and environment.

This paradigm shift saw the setting up of yet another service company - Pune Industrial Hotels Limited in 1964, the Kirloskar Group's first foray into hospitality. This company set up Hotel Blue Diamond in Pune and began to manage Hotel Pearl in Kolhapur. The Baker's Basket confectionery chain and the Hotel and Catering Consultancy Services (HOCON) were also set up.

The dawn of a new millennium

To meet the changing demands of a global business environment and emerging economic trends, the Kirloskar Group has refocused and restructured its direction by concentrating on its core segment of agriculture, water supply, power, and air conditioning. By consciously opting out of hospitality, advertising and unreal services, the Group has channeled its potential in these core sectors.

The Group aims at unlocking the strength and value in the Kirloskar brand and distribution to enhance returns for its stakeholders. It has identified and is implementing processes that would bring greater customer focus and competitiveness.

Today, the Kirloskar Group is a conglomerate with interests across a diverse range of industries. It is still spurred by the simple yet profound ethic born with Laxmanrao Kirloskar that where there is will there are many ways.

Landmarks in the Kirloskar Saga

1888	Our Kirloskar Brothers established.
1901	India's first fodder-cutter made.
1904	First six ploughs made.
1924	Export of ploughs to Britain begins.
1927	Kirloskar becomes the first manufacturer of India's first HP electric motor.
1940	India's first vertical diesel engine manufactured.
1941	The Mysore Kirloskar Limited established.
1946	Kirloskar Oil Engines and Kirloskar Electric established.
1949	India's first 5 HP Petter type AV1 engine manufactured.

1950	Manufacture of bi-metal thin-walled bearings started.
1953	Kirloskar manufactures India's first transformer.
1958	First alternator made and Kirloskar Pneumatic Company established.
1962	Hotel Blue Diamond started, Diversification in Hospitality Industry.
1964	First DC motor made; Kirloskar Consultants and Kirloskar Systems incorporated.
1966	FH Schule purchased in Germany.
1973	First overseas office established in Malaysia.
1975	Bearing plant started in Ahmednagar.
1976	Kirloskar Kenya set up in Nairobi.
1982	First pielstick engine manufactured.
1984	Thyristor convertor made; Kirloskar Ebara JV established for specialisation in Pumps.
1988	Kirloskar Group completes a 100 years in operation; the Centenary year.
1991	Kirsons Trading Pvt. Ltd. Singapore established.
1992	Kirloskar Ferrous Industries Ltd. established.
1993	All major companies in the group receive ISO 9001 Certification.
1996	India's first Concrete Volute Pump installed in Dahanu; KOEL and KEC celebrate Golden Jubilee Merger of Kirloskar Oil Engines Limited, with Prashant Khosla Pneumatic Limited on March 1, 1996.
1997	<p>Agreement to dissolve the partnership between Kirloskar Oil Engines Limited and Cummins Engine Inc. USA dated March 8, 1997 Manufacturing of Anti-Corrosion Coatings at Kirloskar Brothers Limited, Kirloskarvadi.</p> <p>1. Kirloskar Filters Limited merged with Kirloskar Oil Engines Limited and later demerged to form a joint venture company .</p>

	<p>2. Joint Venture between Kirloskar Oil Engines Limited and KNECHT Filterwerke GmbH, Germany, to manufacture automotive and industrial filters.</p> <p>3. Joint Venture between Kirloskar Oil Engines Limited and Briggs & Stratton Corporation, USA, for the manufacture and sale of stationary non-vehicular, petrol and kerosene gensets and Pumpsets.</p>
1998	<p>1. With the stepping down of Mr. Vijay Kirloskar as Chairman and Director as on 23rd July 1998, the following took over as Chairman and Managing Directors of the respective companies: Mr. Atul C. Kirloskar, Kirloskar Oil Engines Limited. Mr. Sanjay C. Kirloskar, Kirloskar Brothers Limited. Mr. Rahul C. Kirloskar, Kirloskar Pneumatic Company limited .</p> <p>2. Mr. Gautam Kulkarni co-opted as an additional director on the Board of Kirloskar Oil Engines Limited, and the directors appointed him as the Joint Managing Director with effect from 20th August 1998, for a period of five years.</p> <p>3. Joint Venture between Kirloskar Oil Engines Limited and Denso Corporation, Japan, for the manufacture of car air conditioners and aluminium radiators for Automotive applications.</p>
1999	<p>1. Hotel Blue Diamond, Pune and Hotel City Inn, Baramati, undertakings of Poona Industrial Hotel Ltd. were sold to Taj Group of Hotels.</p> <p>2. Shivaji Works Ltd., merged with Kirloskar Oil Engines Limited.</p> <p>3. Kirloskar Oil Engines Limited gets ISO 14001 certification for Environment Management Systems from TUV.</p> <p>4. Collaboration Agreement of Kirloskar Brothers Limited with Ebara Corporation-Japan for Hydro Turbines.</p> <p>5. ISO 14001 Certifications for major plants of Kirloskar Brothers Limited and Kirloskar Oil Engines Limited.</p> <p>6. All India trophy of largest exporter of pumps for 11th successive year from EEPC.</p>
2000	<p>Mr. Vijay Kirloskar and six companies under him separate from the Kirloskar group of Companies.</p> <p>Launch of Kirloskar Green Power Ideas by KOEL at New Delhi on 26th Feb 2000.</p>

2001	KBL gets order to supply concrete volute pumps worth 78 Million US Dollars to world's largest hydro-electric project : Sardar Sarovar Narmada Valley Project. Toyota Corp. Japan forms a joint venture with Kirloskars to manufacture multi-utility vehicle QUALIS.
2002	Agreement to dissolve the partnership between Kirloskar Oil Engines Limited and Briggs & Stratton Corporation, USA. Agreement to dissolve the partnership between Kirloskar Oil Engines Limited and KNECHT Filterwerke GmbH, Germany Toyota-Kirloskar introduces its latest offering in India the luxury sedan CAMRY.

The Kirloskar Group of Companies

We are made up of 8 major group companies, who are players in major sectors like manufacturing, oil and gas, power, construction and mining, agriculture, industry and transport each led by the best engineering and managerial talent in India. In addition to engineering, we also have interests in civic utility systems and in Information Technology and communication. These 8 companies form the core of Kirloskar group.

Kirloskar Brothers Limited. (KBL)

Kirloskar Ferrous Industries Limited. (KFIL)

Kirloskar Middle East FZE. (KMEF)

Kirloskar Oil Engines Limited. (KOEL)

Kirloskar Industries Limited. (KIL)

Kirloskar Pneumatic Company Limited. (KPCL)

Kirloskar Proprietary Limited. (KPL)

We are also proud partners in joint ventures with companies like Ebara Corporation, Toyota Motor Corporation, the renowned auto manufacturer.

Industries

- Air Separation plants
- Oil Refineries
- Petrochemical
- Power
- Steel
- Fertilizer Plants
- Chemical Industry
- Automobile
- Textile
- Ash Handling

- Mining
- Construction,
- Cement Plants,
- Thermal Power Plants
- Automobile Industry
- Air Separation
- Petrochemical Plants
- Gas Applications
- Sugar Co-operatives
- Thermal Power Plants
- Automobile Industry
- Air Separation
- Petrochemical Plants
- General Engineering Industry

Kirloskar Brothers Limited

Kirloskar Brothers Limited (KBL), incorporated in 1920 is the acknowledged leader in fluid handling and largest manufacturer and exporter of pumps in India.



Year of establishment :	1888
Year of incorporation :	1920
Sales turnover 2004-05 :	Rs.7330 Million
No. of employees :	3056

Kirloskar Brothers Limited (which includes Kirloskar Brothers Limited, Aban Construction Company, SPP Pumps (UK), Kirloskar Ebara Pumps Ltd., Gondwana Engineers Ltd, Braybar pumps Ltd (South Africa) and The Kolhapur Steels Ltd) is one of the world's largest pump manufacturers, and the world's only pump company that completes turnkey projects including civil works. Kirloskar Brother produces Centrifugal pumps from 0.1 kW to 21MW with single pumps pumping water in excess of 35,000Liters/sec thus producing India's largest pumps by size and horsepower and also the largest in the world. Kirloskar Brothers exports to over 70 countries and has a brand name to reckon with, especially within India and over most of Africa, South East Asia and across Europe. Kirloskar Brothers Limited was established in 1888, and today it is headed by Mr. Sanjay Kirloskar.

Product range

Pumps, Valves, Anti-Corrosion Products, Hydrel Turbines and Turnkey Projects

Manufacturing units

Kirloskarvadi - Year of Establishment 1910

Dewas (Madhya Pradesh) - Year of Establishment 1962

Shirval (Maharashtra) - Year of Establishment 1992

Kondhapuri - Year of Establishment 2001



Kirloskar Ferrous Industries Limited

Year of establishment : 1991
Sales turnover 2009 - 2010 : INR 8,069 Million (Net)
No. of employees : 1,223

Business areas

Grey Iron castings S.G Iron castings Steel
Investment castings. Pig Iron

Product range

Grey Iron castings: 1 kg - 500 kg single piece weight

S.G Iron castings: 1 Kg ~ 70 Kg single piece weight

Investment castings: 1 gram ~ 1 Kg single piece weight

Pig Iron: Foundry Grade, S.G. Iron Grade & Basic Grade



Kirloskar Middle East FZE

Year of establishment : 1997
Sales turnover 2001-02 : 10.9 Million US Dollars
No. of employees : 6

Kirloskar Group of companies have been exporting their products to various countries in the Middle East, Africa and other markets in South East Asia for more

than three decades. A need was continuously felt to establish an identity in Dubai, which will be close to the end customers as well as our distributors in the Gulf countries. This was essentially to give quick response to the customers' requirements and make the products & services available at their door step. With this vision **Kirloskar Middle East FZE** was born in November 1996. It was decided that Marketing set up and Warehousing facility would be established simultaneously, so that a range of products would always be available for customers without delay. KIRLOSKAR MIDDLE EAST FZE caters to its markets and customers through network of more than **42** outlets in the following countries:

Kirloskar Oil Engines Limited

Manufacturer of the widest range of Diesel Engines in India.

Year of incorporation : 2009

About The Company:

The Company was incorporated as public limited company on 12 January 2009, under Companies Act, 1956 having its registered office at Laxmanrao Kirloskar Road, Khadki, Pune – 411 003. The Engines and Auto Components business of Kirloskar Oil Engines Limited (now known as Kirloskar Industries Limited) was transferred and vested with the Company on becoming effective of the Scheme of Arrangement between Kirloskar Oil Engines Limited (now known as Kirloskar Industries Limited) and the Company and their respective shareholders and creditors, as approved by the Hon'ble High Court of Judicature at Bombay vide its order dated 31 July 2009 read with its order dated 19 March 2010. With effect from the effective date, 31 March 2010, the Company has commenced the Engines and Auto Components Business.

Product range

Our product range includes Diesel Engines, Irrigation Pump sets, Diesel Generating Sets and Engine Bearings

Kirloskar Institute of Advanced Management Studies

Year of establishment : 1991

Our Vision

To provide society a centre of learning that excels in management education, research, training and consultancy

About the Institute

The Kirloskar Institute of Advanced Management Studies (KIAMS) was set up in 1991 by the Kirloskar Group to put into practice the thoughts of its illustrious leader, Mr.S.L. Kirloskar. Mr.S.L. Kirloskar, a doyen of Industry, was a visionary of a rare kind who possessed the drive and the determination to accomplish his vision. The emergence and subsequent success of the Kirloskar Group companies in the firmament of the engineering industry in India is a realization of his vision. KIAMS began with a thrust on Management Development Programmes (MDP) aimed primarily at the Kirloskar Group of Companies. Since inception, the Institute has conducted over 235 MDPs and trained over 5,000 managers. Several organisations outside the Kirloskar Group have also sponsored participants to these programmes. The Institute offers a variety of programmes both in general management and functional areas of management for managers at all levels.

Review

Periodic reviews by the management are needed to ensure that the system is performing effectively. In light of the audit results, the management may consider changes in its environment policy and objectives or, if need be, initiate action to tackle any major non-conformance.

The benefits

Implementation of ISO-14001 promises:

Improved operational efficiency with better utilization of materials/resources, reduced costs and wastage and reduced pressure on the environment. Assurance to interested parties and increasing access to world markets encourages partnership between industry and the regulatory authority. It enhances corporate image, improves staff morale and the work environment. Importantly, it also helps in building an environment-conscious nation. The ISO-14001 Standard has been accepted enthusiastically by the Indian industry, with 25 companies receiving the certification as of October 1997 (Bajaj Auto, Godrej, INDAL, NALCO, IOC, etc.). By implementing this Standard, these companies have made substantial gains both in terms of saving on resources and preventing environmental degradation.

Social Welfare

The philosophy of bringing Joy to the customer has at its base the idea that all industrial endeavors must positively impact life and society around it.

Keeping this ideal in mind, the Kirloskar Group has made the fruits of industrial progress reach the people who make it possible in the form of townships, schools, social welfare foundations, hospitals, civic projects and environmental consciousness.

Clean & Beautiful School Scheme

The Clean & Beautiful Scheme is an excellent illustration of what one man can do when he is fired with an ideal and goes in single minded pursuit of it, to achieve it.

Late Mr. S. L. Kirloskar, a doyen of industrialists and an architect of Kirloskar Group of Industries, used to travel abroad very cities he visit and the tremendous civic sense of the people, always struck a chord in his heart. He enjoyed the supreme happiness these sights gave him. Naturally in his mind the inevitable comparison with our towns, cities and roads was there. He felt very sad for the lack of cleanliness, the filth and the absence of aesthetic sense here. While pondering over the matter, he came to the conclusion that it was necessary to bring about a sea change in the mindset of the citizens, especially about their ideas on cleanliness and hygiene at public places. In fact we, who contribute to the filth and shabbiness at public places like Railway Stations, S.T. Bus stands, vegetable markets,, parks, temples, cinema theatres, offices, schools , colleges are to be blamed.

Creating entrepreneurs

In the early period of industrialization in the country, particularly after independence in sixties and seventies, most of the maharashtrian youths had the ambition to seek an employment in Government or private enterprises. There were no development banks, management schools, or Government schemes to encourage entrepreneurship. Kirloskar group filled in the vacuum. It encouraged talented, skilled, promising persons, mostly from their own factories to start their own industrial units. Kirloskar Foundation was formed primarily to give loans and stand sureties and guarantors to the loans taken by these persons to start the ventures. In addition, Kirloskar group gave them, not only managerial, marketing, technical assistance but the Orders for their products and work for their machines. Hundreds of small scale units owe their existence to the pioneering work done by Kirloskar group for the industrialization in Maharashtra.

Educational Scholarships

There are various schemes either in the form of grant in aid or loan scholarships to the deserving but needy students to pursue the education in India or abroad. This is with a view to fulfilling a social obligation in a country in which there is a vast human talent and potential but scarce resources.



Kirloskar Industries Limited

Year of incorporation : 1978

Business areas

Wind Power Generation and Investments (Securities and Properties)

Chairman & Managing Director

Mr. Atul C. Kirloskar

Other Kirloskar companies

- Toyota Kirloskar Motors Ltd (TKML) produces Toyota Vehicles in India.
- Mysore Kirloskar (MK) produced lathes including CNC types.
- Kirloskar Electric Company (KEC) made electrical equipment's like transformers, generators and motors, etc. It is not part of the
- Kirloskar Group anymore.



Kirloskar Pneumatic Company Limited

India's leading name in Compressed Air, Air-conditioning & Refrigeration and Hydraulic Power Transmission

Year of incorporation : 1958

No. of employees : 900

Product range

- ▶ Air Compressors

- Centrifugal
- Reciprocating(Lubricated & Oil Free)
- Rotary Screw(Mobile/ Stationary)
- Small (Garage) Compressors
- Railway Brake Compressors/ Expressers

Refrigeration & Air-Conditioning

- Refrigeration Compressors
- Air-Conditioning Compressors
- Flake & Block Ice Plants
- Transport Air-Conditioning

- Specialized, Custom Built - Screw Compressor Packages

- Turnkey Solutions - Refrigeration & Air-Conditioning systems

Gas Compressor Packages

- Specialized Reciprocating Gas Compressor Packages for a wide range of Gases, Hydrocarbons

Transmission

- Locomotive Transmission Units
- Hydraulic Marine Gear Boxes
- Industrial & Windmill Gear Boxes
- Torque Converters
- Traction Gears and Pinions

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