
C H A P T E R - I .

INDUSTRIAL DEVELOPMENT OF KOLHAPUR



CHAPTER - I

INDUSTRIAL DEVELOPMENT OF KOLHAPUR

The present study deals with office workers in engineering industry of Kolhapur. Therefore, the first chapter is designed to outline the industrial development of Kolhapur with particular emphasis on the development of engineering industry.

KOLHAPUR : LOCATION AND HISTORICAL BACKGROUND.

1.1 LOCATION OF KOLHAPUR :

Kolhapur is situated South-West part of Maharashtra "On latitude $16^{\circ}-42'$ N, $74^{\circ}-14'$ E and stands on rising grounds" on the south bank of the river Panchganga. Kolhapur derives its importance from its political association and its position as a great commercial, religious and educational center. It was Capital of the former Kolhapur State, a premier in the Deccan, and also Seat of Residency for Deccan States".¹

Kolhapur district is surrounded by Ratnagiri district in the west, by the Sangli district in the North-East and by the Karnataka state in the South-East. Road transport vehicles use to ply usually between Kolhapur, Pune, Belgaum, Ratnagiri

and Bangalore. The distance between Kolhapur and Bombay, the headquarters of Maharashtra State, is about 425 k.m.s. Kolhapur is also connected with important cities in Maharashtra like Bombay, Nagpur by Railway.

1.1.2 Brief History of Kolhapur :

Regarding the history of Kolhapur, it is noted that the city dates back to 150 A.D. It was under the Great Shivaji's Rule from 1659. Tarabai established the Gadi of Kolhapur in 1710. Later in succession in 1894 the visionary social minded ruler Chhatrapati Shahu Maharaj strove for Socio-Economic Development not only of the capital city but also of the entire Kingdom. The erstwhile State of Karveer under Chhatrapati's of Kolhapur was merged with the Indian Union in March, 1949."²

Through the ages, Kolhapur has been well known as one of the important regions in Southern India, both on and cultural contribution to Indian art, music, cinema and dramas has been of highest quality and of tremendous consequences and therefore its name "Kalapur". (The city of art)³.

The population of Kolhapur has increased phenomenally over the years. In 1881 the population of Kolhapur was 38,599; in 1981 it was 3,51,073 and as per the 1991 census data it is 4,05,118.⁴

1.2 INDUSTRIAL DEVELOPMENT OF KOLHAPUR :

1.2.1 INDUSTRIAL DEVELOPMENT OF KOLHAPUR BEFORE INDEPENDENCE :

By the mid 19th century, Kolhapur had remained a feudal organism, whose economic ties with the outer world were still very insignificant and one sided. It may be assumed that in this feudal reservation the traditional Socio-economic structure was subjected to minimum change⁵.

According to Pavlov by the mid 19th century Kolhapur had a society of the early stage of feudalism with a prevalence of self-sufficient relation.⁶

The following three tables give an idea of the scale of industry and employment in the various manufactures in Kolhapur.⁷

TABLE 1.1.
THE QUANTITY, VALUE AND NET PROFIT OF
KOLHAPOOR'S MANUFACTURERS

Name of Articles	Amount Sold	Expenses And wages	Profit
Cotton	3,37,422	3,30,000	7,422
Cumblees	1,00,000	88,000	12,000
Numdas	3,600	3,240	360
Gur	1,20,539	90,406	30,133
Oil	1,20,000	1,00,000	20,000
Paper	12,000	9,600	2,400
Snuff	825	660	165
Liquor	24,681	19,745	4,936
Perfumery	2,500	2,000	500
Baskets, etc.	12,806	7,575	5,231
Carpets	875	526 $\frac{1}{2}$	312 $\frac{1}{2}$
Cotton thread	2,15,500	2,00,000	12,500
Pottery	2,81,220	2,09,591	71,628 $\frac{3}{4}$
Glass bracelets	1,800	1,254 $\frac{1}{2}$	545 $\frac{1}{2}$
Lacditto	2,00	1,837	163
Charcoal	625	475	150
Leather	1,23,984	1,15,000	8,984
Iron	9,000	6,300	2,700
Total	13,67,417	11,87,071 $\frac{1}{2}$	1,80,345 $\frac{3}{4}$

Source - D. Graham "Statistical Report of Kolhapur" P. 252, 1854, Quoted from V.I. Pavlov "Historical Premises for India's Transition To Capitalism" 1978 P. 305..

TABLE 1.2

EMPLOYMENT IN THE VARIOUS
MANUFACTURES IN KOLHAPUR

Manufacture of Product.	No. of Employed	Manufacture of Product	No. of Employed
Weavers of cloth	7,671	Gunny	267
Oil	3,842	Thread	566
Jaggery & Sugar	1,764	Ink	110
Distillery of liquor	2,850	Broad Tape	264
Glass bangles	730	Deing	30
Paper	666	Snuff	154
Rope	235	Trenchers of leaves	2,293
Smelting iron	130	Cumblees	5,180
Bricks	313	Confectionery	526
Lime	344	Baskets	640
Charcoal	226	Pottery	3,711
Leather	715	Perfumery	265
Carpets	225		
		Total ..	33,997

Source - D. Graham "Statistical Report of Kolhapur" P. 252, 1854,
Quoted from V. I. Pavlov "Historical Premises for India's
Transition To Capitalism" 1978 P. 307.



TABLE 1.3

EMPLOYMENT IN THE VARIOUS MANUFACTURES
IN KOLHAPUR

Handi crafts	Number's of employed
Bricklayers and masons	286
Carpenters	5,475
Shoe-makers	3,438
Gold smith	3,528
Tailors	1,505
Stone-cutters	1,456
Washermen	2,002
Barbers	2,387
Jingurs	463
Silulgurs	286
Embroiderers	11
Coppersmiths	249
Sawyers	233
Cotton & Wool-carders	356
Wood-hewers	253
Tassel-makers	143
White-smiths	213
Quarrymen	871

Total ...	24,969
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Source - D. Graham "Statistical Report of Kolhapur" P. 252, 1854, Quoted from V. I. Pavlov "Historical Premises for India's Transition To Capitalism" 1978 P. 309

Upto the end of the 19th century, Kolhapur was industrially under-developed. A report of 1985 shows, most of the working population was engaged in the primary sector and a few industries that were not every important were in existence. The local manufactures and industries were not sufficient even to supply local wants. With special reference to industries, the report indicates that "there was a time, when iron and paper industries flourished at Kolhapur. There were more than 100 paper factories at work in the city of Kolhapur and now the number has dwindled down to three or four. The iron industry had suffered the same fate in competition with superior and cheaper European manufacture".⁸

In September 1906 the Late Chhatrapati Shahu Maharaj laid the foundation of the Shahu Chhatrapati Spinning Mills, which was the foundation in industrial development in Kolhapur City. It was originally a joint stock concern promoted by a leading Maratha gentleman of Kolhapur but it passed into the hands of the Darbar after many vicissitudes which were finally concluded by liquidation proceedings in the court of law. The Maharaja gave this industrial concern a fine and generous start by subscribing to its capital by granting a free site and a water tank and by giving it a monopoly for some years⁹

In 1912, Edward Agricultural Institute was established. A museum of improved agricultural implements was opened and these implements were loaned to enterprising farmers. Fertilisers were distributed free of cost to farmers. An agricultural exhibition was organized in Kolhapur in 1914.¹⁰

Rajaram Industrial School (1920) and Jaysingrao Technical School (1921) were opened.¹¹ About the industrial development of Kolhapur, District Gazeteer reveals that, "Historically speaking industries began to develop in the old Kolhapur State round about 1925"¹². In 1933 Rajaram Maharaj, the then Chhatrapati of Kolhapur founded Sugar Mill at Kolhapur.

In 1941, Kolhapur Municipality allocated an area measuring 42 acres to Shivaji Udyamnagar Cp-Operative Society, in C Ward to locate a cluster of small industrial units spread over in the town. There were 97 industrial plots on which 67 industrial unit had been established. In addition to this, there are 185 industrial plots surrounding the society covering an area of roughly 15.45 hectares. educationalist J.P. Naik is the real architect of Udyamnagar, when he was secretary in the Planning and Development in Kolhapur State. He visualised the idea of Udyamnagar, and city planner, Mr, Keshavrao Bhosale, who was in charge of city development executed

the idea. Thus during the reign of Rajaram Maharaj of Kolhapur, through the ardent efforts of Mr. J. P. Naik, the industrial base developed fast.¹³

1.2.2 INDUSTRIAL DEVELOPMENT OF KOLHAPUR :

AFTER INDEPENDENCE -

AFTER INDEPENDENCE, KOLHAPUR WITNESSED RAPID INDUSTRIAL DEVELOPMENT.

In 1950-51, the Government of India banned import of diesel-oil engines. It accelerated the growth of the Oil engine industry. Extension of irrigation facilities in various parts of the country created unprecedented demand for diesel oil engines and pumps. By this time, Kolhapur had made its impression as manufacturer of quality engines. Kirloskar, Cooper and Ruston were the three outsiders competing with Kolhapur engines. They manufactured latest type British engines. But the competition was not very stiff as they were high quality, high priced products which small, poor farmers could hardly afford to buy. On the other hand, Kolhapur provided heavy, sturdy, technologically fool-proof and comparatively cheap engines. The State Government approved 'taccavi' loans for buying Kolhapur engines. Many successful, self-made entrepreneurs achieved great success at this time. Their skill and entrepreneurship were almost inborn qualities. They were local people coming from lower strata of society.¹⁴

The decade of 1948-58 was a period of all out prosperity. Everybody ambitious, dreaming of future prosperity, self-confident and capable of twisting his wrist turned out to be an entrepreneur.¹⁵

After 1952, Mahadev Nanaji Shelke alias Mahadba Mestry became a prominent figure in the industrial world. He was illiterate, in his younger days he worked as a motor cleaner and mechanic for twenty years. After 1952 he started several industries like gas plants for passenger cars, grills, bodybuilding of firefighter, farm implements, oil engines, foundry and workshop.

Shamrao Babaji Utkur manufacture of Oil engines, Krishnaji Daji Kulkarni of Kulco Engineering Works, Anantrao Jadhav, Shivajirao Kangrarlkar, Baburao Uchgaonkar, ace motor repair machanic, Jacob Samuel Mandodi, Govind Dadaji Desai, Shankar Bapuji Powar, Vasuanna Potdar, Dadasaheb Undale, Govind Dattatray Gulvani, Mirasaheb Shamansaheb Hudli of S.M. Hudli and Sons, (who had a long experience of 37 years as Turner foreman) Shankar Ganesh Kohalkar, Pandurang Narayan Salokhe of Zenith batteries, pattern maker Babulal Mistry and founder Chairman of Udyam Co-operative Sakharam Tatyasaheb Ghatge, and Rambhai Samani, these are the names of industrialists worth naming during this 1960

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period. All these people contributed to the industrial growth of Kolhapur.¹⁶

In the nineteen sixties, the Kolhapur oil-engine industry was put to a severe test. The recovery of 'taccavi' loans which were granted for buying diesel-oil engines, being very unsatisfactory, the State Governments of Punjab, Uttar Pradesh and Andhra Pradesh discontinued granting loans. This gave a rude blow to the Kolhapur oil engine industry.

This calamity, however, proved to be a boon in disguise for the entrepreneurs. They realised that diversification and ancillarisation were a necessity in order to market.

Around 19650. manufacture of vertical engines was started in Kolhapur, mainly due to the leadership of Y.P.Powar. Because of this manufacture of engines, there was a marked change in technique in the period between 1960 and 1970 and there was remarkable development of the industrial sector in Kolhapur. Because of the change in technique of production, different big companies like Telco, Bajaj, Escorts and Mahindra started buying spare parts around 1970. Y.P.Powar become famous in engine repairs and soon the firm 'PAKCO' of Powar flourished.¹⁷

In the seventies, light engineering industry came to be decentralised upto the taluka level. Kolhapur began to produce a variety of engineering goods. Components used as original equipment for tractors, automobiles, photophone equipment, marine engines, locomotives are now produced at Kolhapur.

Apart from big units in textiles, sugar and engineering industries in Kolhapur city, in Shivaji Udyamnagar, many small engineering units have sprung up after its establishment in 1945-46. As it could not expand to the West or North, the engineering units have been established at the MIDC Industrial Estate at Shirol.

These units are engaged in the production of oil engines and its spare-parts electric starters, auto batteries, metal work foundry, motor and tractor repairs and agricultural implements etc. These units in Udyamnagar and Shirol are in the private sector. A special feature of these units is that "Most of them are owned run by small entrepreneurs rather than big industrialists, majority of whom were skilled workers once upon time in their life ." ²⁰

Tanning and footwear manufacturing industry is also one of the leading industries in Kolhapur city. The survey in 1982 shows that "there were in all 59 tanner's establishments employing 1025 persons. There were also

2028 small cottage and household footwear manufacturing units and nearly 5500 persons were engaged in it."²¹

According to the Directorate of industries, in 1981, there were 545 factories registered under the factory act employing 33,022 workmen. Thus there has been a growth in the number of factories and workers employed in the period 1970-1980. Again in 1981 there were 39 large scale industries and 1719 small scale industrial units. The number of engineering small scale units was 762 which shows an increase. In the year of 1981 the total number of workers in Kolhapur city was 1 lakh.²²

As per the information personally collected by this researcher, at present, there are 468 industrial units in the industrial area of Shirol, 182 in Gokul Shirgaon and 451 units in Shivaji Udyamnagar area of Kolhapur city.²³

Thus, the above description shows that the Kolhapur city with agricultural base, was industrially underdeveloped upto the end of the 19th century. The city witnessed the beginning of the industrial development around the first quarter of the present century, especially due to the efforts taken by a social reformer and the visionary late Shri. Shahu Maharaja, the then

Chhatrapati of Kolhapur. The rate of industrial development of Kolhapur accelerated after Independence.

Thus, the first Chapter has dealt with the industrial development of Kolhapur with particular emphasis on the development of engineering industry. Against this background, the next Chapter is devoted to present a brief review of literature on white-collar workers in India.

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