

CHAPTER IV

INDUSTRIAL PROFILE OF KOLHAPUR DISTRICT

It is a paradox that despite its vast mineral, forest and power resources western part of Kolhapur District has remained comparatively backward. However, of late, with the new thrust in exploiting these resources together with numerous incentives offered, the industrial scene of Kolhapur District is gradually changing for the better, still leaving scope for further development.

Agriculture continues to be the primary occupation in Kolhapur district and along with allied activities like cottage and small scale industries happen to be the important contributors to the district income.

INDUSTRIAL DEVELOPMENT:

The Socio-cultural milieu in Kolhapur District is rural. This district had some traditional rural industries like smithy, leather, handloom etc in the past, industries on modern lines came to be set up in the district mainly through the initiation of the Great King Chh. Shahu Maharaj. Agro-based industries like textiles, sugar mills and engineering industries etc came up in different parts of the city mostly through co-operative and private enterprise. However, upto the end of 19th century, Kolhapur was industrially underdeveloped. According to 1895 report, most of the working population was engaged in primary sector and few industries of small importance were in existence. These industries

could not export "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, Iron industry suffered from the competition of superior and cheaper European manufacture."¹ It is only the leadership and foresight of late Chh. Shahu Maharaj, the foundation of industrial development was laid, and was further fostered by the late Rajaram Maharaj. e.g. in 1906 Chh. Shahu Maharaj laid foundation of spinning and weaving mills and in 1933 Rajaram Maharaj founded Sugar Mill at Kolhapur. Both these kings supplied necessary facilities like water, site capital to these mills. Besides this in Kolhapur city the local artisans, located their production units in the heart of the city. In due course of time, they were shifted to outer parts of the city and across the periphery of the city. But the units were no longer small.

In subsequent periods i.e. from 1945 onwards, Ghatage Patil industries group, along with Kirloskar Company expanded, their activities in foundry transportation, production of two wheelers which provided employment opportunities in Kolhapur area. It is set up in Uchgaon near Kolhapur.

Apart from the big units in textile, sugar and engineering industries in Kolhapur City, in Shivaji Udyannagar many small engineering units have sprung up after its ~~xxxxxx~~ establishment in 1945-46. Now as it could not expand to the West or North, the engineering units have been established at the MIDC Shirol."⁶ (317-29 hectares). The MIDC has

acquired land at Gokulshirgaon (202.43 hect.) on Pune-Bangalore Highway.

Apart from MIDC a new industrial complex is being developed at Huperi-Halaswade near Kolhapur which will stimulate the industrial activities in this region.

INDUSTRIAL STRUCTURE AND EQUITY:

A special feature of all these units is that "most of them are owned and run by small entrepreneurs rather than big industrialists, majority of whom were skilled workers once upon a time in their life.

There are about "65 oil engine manufacture and about 300 spare part manufacturing units."⁸

In 1982, there were in all 59 tanners establishment employing 1025 persons. Again there were in all 59 tanners establishments employing 1025 persons. Again there were 2018 small cottage and household footwear manufacturing and nearly 5500 persons were engaged in it."⁹ According to the Kolhapur Ichalkeranji. Regional Planning Board,"(1970) "Under the factories Act 1948, in Kolhapur there were 154 factories employing 11,147 workers. According to Directorate of Industries in 1981, there were 545 factories registered under the factory Act employing 33,022 workmen. Thus there has been growth in the number of factories and workers employed in the period 1970-80. In 1981 there were 39 large scale industries and 1719 small scale industrial units, and the number of small scale engineering units was

765. In the new industrial complexes, a number of sophisticated products is found. On the whole it is found that in the initial stages the State patronage was responsible for the inception of industrial development in Kolhapur. The principle of co-operation entrepreneurship and skill of small men and state incentives in modern times resulted in the expansion of industrial activity across the periphery of Kolhapur.

There is diversification and dispersal of some industrial activity in the Kolhapur city.

INTRA-DISTRICT IMBALANCES IN RESPECT OF DISTRIBUTION OF INDUSTRIES IN KOLHAPUR DISTRICT 1983.

There are 12 talukas in Kolhapur district, But the distribution of industries is not uniform. There are wide variations in the dispersal of industries. Out of all the industries-small, medium and large -90% of the industrial units have concentrated in only three talukas i.e. Karveer Hatkanagale, Shirol and the remainings have dispersed in other small towns.

TABLE 4-I

DISTRIBUTION OF INDUSTRIES IN KOLHAPUR DISTRICT
1983

S.No.	Taluka	Total Units	Units in Urban areas	'Urban p.c' to Taluka	'Taluka p.c. to District
1.	Karveer	3248	3226	99.20	49.65
2.	Hatkanangle	2395	2395	100.00	36.61
3.	Shirol	606	600	90.00	9.26
4.	Gadhinglaj	106	103	97.10	1.62
5.	Kagal	37	32	87.00	0.56
6.	Ajara	32	29	90.00	0.49
7.	Bhudargad	31	30	97.00	0.48
8.	Penhala	23	23	100.00	0.38
9.	Radhanagari	21	18	85.00	0.32
10.	Shahuwadi	17	17	100.00	0.27
11.	Chandgad	15	15	100.00	0.23
12.	Gaganbavada	11	11	100.00	0.15

SOURCE-DISTRICT INDUSTRIAL CENTRE, KOLHAPUR

It is found that industries have concentrated in three taluka of Eastern part of Kolhapur district. 95% of industries have concentrated in Hatkanegale, Karveer and Shirol and 5% of industries in other talukas. The eight talukas have less than one percent industrial share in the district. This means that most of the talukas have remained industrially backward. Moreover, the locations of the industries in concentrated taluka is in their Urban areas.

TABLE 4-2
URBAN CONCENTRATION OF INDUSTRIES IN KOLHAPUR
DISTRICT 1983

S.No.	Urban Places	No.of Units	P.C.
1.	Kolhapur	3226	49.32
2.	Ichalkaranji	2193	33.52
3.	Jaysingpur	408	6.25
4.	Shirol	113	1.75
5.	Gadhinglaj	103	1.57
6.	Kurundwad	79	1.20
7.	Hupari	71	1.08
8.	Rendal	60	0.91
9.	Vadgaon	36	0.52
10.	Hatkanangle	35	0.50
11.	Gargoti	25	0.39
12.	Ajara	21	0.32
13.	Kagal	19	0.30
14.	Kodoli	14	0.24
15.	Panhala	9	0.15
16.	Chandgad	9	0.15
17.	Murgud	4	0.17
18.	Other Urban centres	75	1.01
19.	Villages	43	0.66

It is found that 99.34% industries unit are located in urban areas and 0.66% are located in villages. This shows intra-district unbalances in respect of industries. The

industries have concentrated in the triangular area of Kolhapur, Jaysingpur and Ichalkaranji. There is a need for greater dispersal of industries in other parts of the district.

COMPOSITION OF INDUSTRIES IN KOLHAPUR DISTRICT
AND THEIR DISTRIBUTION AMONG TALUKA

There are small, medium and large scale industries, which are sophisticated goods industries like machine and engineering agrobased, forest based, chemical, fertilizer etc. The following tables (3.4) reveal the situation.

TABLE 4-3
TALUKAWISE SMALL SCALE INDUSTRIES IN KOLHAPUR
DISTRICT
31ST MARCH 1979

Taluka	Machine Engg. Ltd.,	Agro- based	Forest	Chemical	Total
Karaveer	618	51	347	-	1016
Panhala	7	3	6	-	16
Hatkanangle	95	11	346	-	452
Shirol	25	16	122	-	163
Kagal	1	1	2	-	4
Gadhinglaj	10	11	15	-	36
Chandgad	-	-	1	-	1
Ajara	-	4	4	-	8
Bhudargad	-	4	4	-	8

Radhanagari	-	2	2	-	4
Gaganbavada	-	1	-	-	1
Shahuwadi	6	3	1	-	10
TOTAL	762	107	850	-	1719

Ref: District Credit Plan

1980-82 Bank of India.

It is found that SSI are found in large numbers in Karveer, Hatkanangle and Shirol. Nearly 967 of SSI are found in these three talukas, besides, a greater ~~D~~iversification also is found.

As far as large scale industries are concerned a larger imbalance is found. Out of 39 Large Scale industries in the district, 33 industrial units are found in Karveer, Hatkanangle and Shirol taluka.

TABLE 4-4

LARGE SCALE UNITS IN KOLHAPUR DISTRICT JUNE 1976

Taluka	Sugar	Acho- hol	Ferti- lizer	Chemi -cal	Food	Engg	Cott -on& pro cess ing	Yarn	Total
Karveer	3	2	1	-	-	5	1	-	12
Panhala	1	-	-	-	-	-	-	-	1
Hatkanangle	1	1	1	-	1	5	5	3	17
Shirol	1	-	-	-	-	1	1	1	4
Kagal	2	-	-	-	-	-	-	-	2
Gadhing- laj	1	-	-	-	-	-	-	-	1
Chandgad	1	-	-	-	-	-	-	-	1
Ajara	-	-	-	-	-	-	-	-	-
Bhudar- gad	-	-	-	-	-	-	-	-	-
Gaganbavade	-	-	-	-	-	-	-	-	-
Shahuwadi	-	-	-	1	-	-	-	-	1
TOTAL:	10	3	2	1	1	11	7	4	39

Ref: District Credit Plan.

1980-82 Bank of India

It is found that out of 39 large units, it is the Engineering units that prevail largely. (11 units) Similarly in small-scale sector also it is the engineering units that predominate. It can be said that as far as Engineering Industry is concerned, the "Linkages" have been established through ancillarisation. This is seen in respect of Karveer and Hatkanangle. By Linkages we mean, that the small scale or large-scale units, depend on each other for inputs or outputs, leading to forward and backward linkages. Such linkages are seen in respect of sugar industry also. By "Ancillarisation" is meant that a number of small units manufacture components or spares of a product, for large assembling/manufacturing units. If large industrial units are set up in infrastructurally backward regions, then the regions around them may develop through such linkages and Ancillarisation.

INFRASTRUCTURAL FACILITIES:

Generally district is accepted for the formulation of planning for economic development, on the reasoning that adequate information is not available in respect of Talukas but, in Kolhapur District, such data is available. It is given in the following table.

All this suggests that because of infrastructural facilities Hatkanangle, Shirol, Karveer enjoy concentration of industrial units. The need for dispersal to other regions is strong.

TABLE 4.6

Distribution of Urban population according to Taluka

Taluka	p.c.of urban population in total population of Taluka			p.c.change in urban population in a decade		
	1961	1971	1981	1961	1971	1981
Karveer	55.59	56.66	58.00	+ 34.41	+ 38.47	+ 31.36
Panhale	1.71	1.50	1.49	+ 24.29	+ 13.91	+ 14.47
Hatkanan- gale	26.32	31.16	41.73	+ 77.44	+ 65.48	+ 80.89
Shirol	14.48	15.99	16.70	+ 23.00	+ 45.65	+ 29.46
Kagal	12.78	13.17	13.75	+ 6.66	+ 26.87	+ 20.28
Gadhinglaj	8.37	9.22	10.61	+ 24.98	+ 37.28	+ 26.41
Chandgad						
Ajara						
Bhudargad						
Radhanagari						
Gagabbavade						
Shahuwadi	3.95	3.88	3.50	+ 20.37	+ 14.15	+ 6.88
Kolhapur	19.28	21.50	24.82	+ 37.44	+ 43.04	+ 41.29

Ref: District Vocational Office, Kolhapur-

Vocational Survey of Kolhapur Dist 1980

THE STRATEGY OF DEVELOPING BACKWARD REGIONS:

The large scale units if located in such regions, they will play the role of growth centres. They will attract a varied and larger number of industrial units around and nearabout areas. They will pull the industries to these centres. The dispersal of industries should be made. The dispersal of industries can be made in those regions where agriculture is an important activity, where forests abound in, where minerals are found. Thus agro-based, forest based, mineral based industrial units can be set up. The dispersals result in i) increasing the size of the city

2) new cities come up

3) Villages in the vicinity of

large industrial units get indirect effect such as markets, commercial crops, warehousing facilities. These units create " magnetic region around them.

4) The magnetic impact extends gradually around the places at which industrial units are located.

KOLHAPUR DISTRICT:

PHYSICAL SET UP:

Kolhapur District is surrounded by Karnatak in the south/East, Ratnagiri and Sindhudurg. in the west, and Sangli District in the North. The District has been divided in 12 talukas, namely, Karaveer, Hatkanangle, Shirol, Kagol, Godhinglaj, Panhala, Chandgad, Ajare, Bhudargad, Radhanagri, Gaganbavade and Shahuwadi, 1/3 of western part is occupied by

forest, Karveer, Hatkanangle, Shirol, Kagal and Gadhinglaj are in the eastern part and they are in the Krishna-Pancha-ganga delta. The entire region is rich in agriculture.

It is found that urban population has concentrated in Karveer, Hatkanangle, e.g. in Karveer (31% to 38%) Shirol (23% to 46%) Hatkangale, (65%-81%) rise of seen population of eleven cities in Kolhapur District has shown continuous rise e.g.

<u>URBAN AREA</u>	: Kolhapur city rose from 47.31% (1901) to 56.49% in 1981
<u>KOLHAPUR CITY</u>	: from 47.31 (1901) to 54.76% (1981) Industry, services and trade were significant activities.
<u>GANDHINAGAR</u>	: 1.87 (1961) to 1.73%(1981) Trade important
<u>ICHALKARANJ</u>	: 11.24% (1901) to 21.50%(1981) Industry important
<u>KARNUR</u>	: declared as Urban area in 1981 for the first time it is near to Ichalkaranji
Its urban population was 4.87%	
<u>Vadgaon Kasbe</u>	: from 4.50% to 2.32% (1981)
<u>JAYSINGPUR</u>	: 2.90(1951) to 3.86(1981) industry. trade imp.
<u>KURUNDWAD</u>	: (9.09% in 1901 to 2.75% 1981)
<u>KAGAL</u>	: 6.69% (1901) to 2.66% in 1981)
<u>MURGUD</u>	: 2.03% (1951) to 1.38% (1981)
<u>GADHINGLAJ</u>	: 5.54% (1901) to 2.98% (1981)
<u>MALAKAPUR</u>	: 2.88% (1901) to (0.78%) in 1981
<u>PANHALA</u>	: 0.63 1961 to (0.40%) 1981

It is found that Kolhapur, Ichalkaranji are growing. Jaysingpur is becoming a centre of industries in recent times. These centres are important for Engg. Cotton. Industrial activity is concentrated in Kolhapur and Ichalkaranji cities.

The industrialization has resulted in raising non-agri. population of various Talukas o.c. of workers employed in

TABLE 4-7

	Farming			Non-Farming activities		
	1961	1971	1981	1961	1971	1981
Karveer	55.66	46.47	44.54	44.34	53.53	55.46
Panhala	87.32	83.83	83.78	12.68	16.17	16.22
Hatkanangle	62.77	54.25	46.25	37.23	45.75	55.75
Shirol	80.02	76.13	71.57	19.98	23.87	28.83
Kagal	87.11	84.43	83.82	12.89	15.57	16.72
Gadhinglaj	88.83	83.65	83.15	11.17	16.35	16.85
Chandgad	92.93	92.18	89.20	7.07	7.82	10.80
Ajera	91.31	88.00	89.81	8.69	12.00	10.19
Bhudergad	89.77	89.29	88.21	10.23	10.71	11.79
Radhanegari	91.10	89.96	83.78	8.90	10.04	16.22
Gaganbavada	90.35	92.91	88.10	7.65	7.09	11.90
Shahuwadi	90.00	90.49	86.00	10.00	9.51	13.98
Kolhapur Dist.	79.26	73.89	67.59	20.74	26.11	32.41

Census of India 1961, 1971, 1981

It is found that workers employed in agriculture is slowly declining but in western parts, Panhala, Chandgad, Ajara, Bhudargad, Radhanagari, Saganbavada, Shahuwadi show insignificant decline. All these talukas are deprived of industrialization. However Kagal, Gadhinglaj, Chandgad have co-operative Sugar factories, Hatkanangle, Karveer show striking change in the non-farm activities.

MIGRATION:

Industrialization and migration are closely related. According to 1971 census 23-50% population (4,81,380) migrated. Out of it 60% migrated in the villages of the district itself, 9% migrated to Bombay. 13% migrated to cities and 78% to rich villages. Out of 84,185 population coming from outside 90% were from Karnatak. Density of population per Kmtre in 1981 Kolhapur 5,098, Gandhinagar (4,522) Panhala (4,981) Ichalkaranji 5,933.

The talukas in Western part of Kolhapur District are sparsely populated and majority of villages are in 1000 population range. Besides Malkapur in Shahuwadi taluka, not a single urban area is found. On the contrary Ichalkaranji, Gandhinagar, Kolhapur, Jaysingpur are centres that attract population. Industrialization is extending across the periphery of these places and encompassing the nearabout villages in their jurisdiction/hold e.g. Shahapur and Kabnur have been included in Ichalkaranji. Industrial activity has been concentrated in the areas of 30 Kmtrs. including 8 cities viz, Kolhapur, Gandhinagar, Panhala, Kagal, Vadgaon

Kasaba Ichalkaranji, Kurundwad, Jaysingpur out of eleven talukas, Western districts are deprived of this change for the better.

At present 5 new co-operative industrial estates are being set up in Kolhapur District i)Yadav (Hatkanangle Taluka) near Ichalkaranji 2)Kagal Taluka near Gokul Shirgaon MIDC which is 15 kmtr from it.

This shows that industrialization is extending beyond the industrial development of Kolhapur.

It can be reiterated that process of industrialization should be extended to western part, It should be multicentred instead of nuclear-centred. Nuclei should be set up in backward regions.

Out of the 10 sugar co-operatives seven have been set up in Parite, Kuditre, Gadhinglaj, Kagal, Bidri, Chandgad, Asurle.

Ajara-Gadhinglaj-Chandgad belt shall be developed.

In this chapter it is found that the industries have concentrated in the triangular area of Kolhapur-Ichalkaranji and Hatkanangle. This concentration has been proved by the imbalances in respect of infrastructural facilities, (Table 5) larger p.c. of population in urban areas, non-farm activities as a result, the industrial activities are crossing the peripheries of these areas and extending to areas in the vicinity of concentrated areas, rather than getting dispersed to regions which are away and industrially backward. The spilling over of industrial activities is a natural consequence of degglomerative tendencies rather than the planned

approach. Migration is rampant and taluka in Western part have lagged behind. This means that either there were no specific plans/programmes of industrial development, or, adequate infrastructural facilities which could have provoked the (govt.infrastructural) agencies like banks to assist the units in the areas.