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CHAPTER - 5

DEVELOPMENT OF THE ICHALKARANJI INDUSTRIAL  
CO-OPERATIVE ESTATE LTD. ICHALKARANJI

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C H A P T E R - 5DEVELOPMENT OF THE ICHALKARANJI INDUSTRIAL CO-OPERATIVE  
ESTATE LTD. ICHALKARANJI1. INTRODUCTION :

The present chapter deals with presenting the picture of developments which occurred in the Ichalkaranji Industrial Co-operative Estate. This development has been analyzed under three periods and the significant happenings and progress of the Estate has been shown on the basis of the Annual Reports of the Estate.<sup>1</sup>

2. THE ICHALKARANJI INDUSTRIAL CO-OPERATIVE ESTATE 1959 to 70 :

The original idea of the Industrial Estate was of Deshbhakta Babasaheb Khanjire. He initiated this idea on 10th September 1959 in a meeting under his chairmanship. 13 members were present for the meeting and Mr. Phulchand Rupchand Shah and Krishnrao Salunkhe were the prominent amongst them. The meeting resolved that the government may allot them 38.5 acres of land near Ichalkaranji city. The application was sent to the government for the land. The government allotted this land at the cost of Rs.2 lakhs and 18 thousand. This amount was collected by the estate authorities from the members and it was paid to the government. There were 154 members and share capital was of Rs.77,500 at that time. The government lent the Sanstha an equal amount at the interest of  $4\frac{1}{2}$  % on a term of 20 years. After processing the land, the Sanstha got the land bulldozered, plots planned, layout blue printed and estimates made. After securing the approval from the Town Planning Dept., the execution of the project began to take shape. The managing committee decided

to distribute the plots and appointed a committee for that purpose. The distribution of plots was a difficult work as the price of each plot was decided to be almost the same. The owners of the plots by the roads were likely to be more benefitted so the work of distribution of plots needed to be done with care. Hon. Kadamanna and Hon. Khanjire made a unique plan and it worked well. At first, 23 members sent single applications and 11 members sent double applications. For the supply of water, the Estate dug a well and spent Rs.7537 for the purpose. Now there is ample water supply and problem is solved. The Managing Director of Kulco Company gave the Estate an engine pump and then an electric motor pump free of charge.

After the distribution of plots, it was necessary to begin the work of construction of buildings but at first nobody dared to begin the work in this remote Estate. Hon. Shantilalji took the initiative and began the work of construction. The others followed his example and very soon the construction work of thirteen buildings was in progress and the foundation work of six buildings was completed.

At the beginning, the Estate undertook a novel project to provide accommodation for those who were unable to build on their own. With this purpose, the Estate carried out the work of building nine common halls of 130' x 30' size. The cement for this purpose was provided by the State Govt.

The Government provided the Estate with the share capital of Rs. 90,000/-. This increased the Estates borrowing capacity. Then the Estate approached the Central Government with a comprehensive scheme for securing loan which was later to be lent to the members for construction purposes.

The Estate tried to get electricity on priority basis and by the end of the year 1960/61, the number of members increased from 154 to 196. Ten

buildings were constructed during the year 1st July 1961 to 30th June 1962. Thus there were 33 buildings in the Estate. The Estate built two common halls and installed 22 powerlooms in them. It was decided to give concession on rent to the members. Besides the Estate decided to provide its members with iron, cement, corrugated tin etc. at control rates. In 1961-62 the out plan of Estate side was made and the land was divided into 68 plots. Out of ten plots reserved for engineering section, the blocks of Dugadulal Seth, Marda, and two blocks of Rayon Company were constructed and one more construction was under progress. In the same year, the Estate got technical approval for its scheme. Now there were 23 buildings ready in which powerlooms were installed. The well planned constructions, ample supply of fresh air, north light have provided the sight a very nice get up. It had enhanced the beauty of the city of Ichalkaranji. Shri G.D. Alashe's first industry was inaugurated by industrialist Hon. Seth Lalchand Hirachand on 1st March 1962. The Industrial Commissioner Shri M.W. Desai made a courtesy visit to the Estate and offered his guidance to solve some essential difficulties. He praised the construction of buildings and took with him the blue print of the estate plans as models to show to his technicians and other societies. This is a prestigious thing for the Sanstha (Estate). By the end of 1962-63, the construction of 25 buildings was in progress. Industries began to function in 23 out of 25 buildings. By the end of this year there were 170 powerlooms, one sizing unit and 2 warping units at work in the Industrial Estate. There were two more halls constructed in which 44 power loom and 5 Kandi machines were installed. 17 units were at work in both the halls and the halls were lent on meagre rent. The common power loom owners were facilitated by this scheme. In 1962-63, Ashok Mehta Powerloom Inquiry Committee appointed by the Central Government visited the Estate. The committee was satisfied with Estate's progress.

In 1964-65, the west side layout plan was revised and 105 blocks were ready besides the Estate's own block. The construction of 38 buildings was completed and that of 34 buildings was in progress. Out of 38 buildings 37 buildings had industries installed in them. There were 136 powerlooms, 35 hand looms, 5 sizing units, 1 processing unit, 2 warping units, 12 lathes, 2 lime works, 1 welding unit and 3 foundries at work. In the same year, a modernized processing unit "Yashwant Co-operative Processors" was inaugurated. In 1964-65 itself, the Estate applied to the Government of Maharashtra for "The Government Facility Centre" for the benefits of its members. In 1965-66, the canteen plot of the west side lay out was ready for distribution. Now there were 106 blocks in all. The number of members of the Estate was increasing day by day, so the Estate sent a comprehensive plan to the Government of Maharashtra for the purchase of 68.2 acres of land adjoining the Estate. In 1966-67, The East side and west side layouts were revised, so the Estate had 113 blocks in all. Now there were 70 buildings on 81 blocks. Hon. Babasaheb Khanjire tried his best for the acquisition of the 68 acres of land but there was no progress in it, so the members of the Estate had to face many difficulties. In 1967-68, the Estate had 113 blocks as per East side and west side layouts. These blocks were distributed to the members as per their needs. The municipality also constructed many roads and side gutters. The Estate got the necessary adjoining land of 68 acres. Hon. Rajarambapu Patil has assisted in this matter. In 1968-69, 115 blocks were distributed to the members. 91 buildings were constructed and 4 more were under construction. In this year the municipality constructed some tar roads and built some more gutters. In the year 1969-70, the foundation stone of the Ichalkaranji Urban Co-operative Bank was laid and the construction of a grand building began. The Kolhapur District Co-operative

Bank was already in operation. Both the banks provided facilities to the members and the industrialists. In the same year, the estate built a welfare centre (Kalyan Kendra) equipped with all modern facilities. Its cost was Rs. 760.29. It was used for different purposes such as seminars, symposiums, weddings, general meetings, dramas, one act plays, cultural activities, badminton hall etc. The hall was rented at low charges to the people in the area for auspicious functions. In this year the estate got the acquisition of the 68 acres of land from the Maharashtra Government. The estate made a comprehensive scheme of Rs.90,69,760 for the construction of 185 buildings for industries and sent it to government and got it sanctioned. By the end of this year, the estate had invested Rs.2,95,411 towards blocks expenditure and Rs.1,41,891 towards construction. The construction of buildings on the newly acquired 68 acres of land was to be done with government funds. For this purpose, the estate undertook the work of the first stage of sanctioned extension plan.

### 3. THE ICHALKARANJI INDUSTRIAL CO-OPERATIVE ESTATE: 1971 to 1980<sup>2</sup>

The foundation stones of 62 blocks as per the first stage of extension scheme were laid on 1st May 1971. Now there was a critical problem for the estate. The number of plots was limited while the demands exceeded. But Hon. Babasaheb Khanjire, Hon. Dattajirao Kadam M.P. and Shri Phulchand-Seth Shaha handled the problem very tactfully. They tried to accommodate as many members as possible. It was also decided to take new land. By this time the estate had repaid all the dues instalments alongwith interest incurred on the loan. At the same time the estate collected the instalment and interest on the loan borrowed under hire purchase scheme to construct 20 buildings. There were no dues at all as the members responded to the Estate very honestly. By the end of the year 1971-72, out of 116 blocks, 92 buildings were constructed on

107 blocks and four buildings were under construction. By the end of this year, the members had invested Rs.2,64,238 for blocks and Rs.1,19,701 for buildings. The Estate could not satisfy the demand of all the needy small scale industrialists due to non-availability of the land. The Estate applied the land to Kolhapur, Sangli and Miraj Regional Planning Boards, and the Board reserved 200 acres of land for powerloom industry. In the year Estate built a spacious dining hall which was a long felt need, adjoining near the Kalyan Kendra. The hall provides on moderate charges for the public and auspicious functions. Ichalkaranji is an industrial city, so naturally majority of the population belongs to the working class. The facility of dispensary was made available to the working class under the Employees' State Insurance. The estate offered land near Yeshwant Process for the dispensary and the municipality constructed a fine building there. The reputed products like the balancing machines and hardness centre machines of Hon. Panditkaka Kulkarni's industries from the Estate are exported and they have captured the world market. In the year 1972-73 there was shortage of electricity and due to the draught then was no adequate supply of yarn. So the industries did not get power supply and so they could not be operated. But after some days, there was improvement in the situation and 50 out of 62 industries got electricity sanctions and the production began there. The Industrial Insurance Corporation sanctioned the loan of Rs.18 lakhs for the development of the first stage of the extension plan. In this year, the estate received the loan of Rs. 9 lakhs. In this year Hon. Shankarrao Kulkarni went to Europe to observe the progress in technology in motor car. While Shri Chandrakant Sakharpe went to Europe to participate in the Industrial exhibition. These visits to Europe helped the Estate to increase its export potentialities. In 1973-74 Industrial Insurance Corporation sanctioned the loan of Rs.27 lakhs for the first and second stages of the extension plan. Hon. Dattajirao Kadam

M.P., Hon. Babasaheb Khanjire MLA, the President of Municipality, City Congress President Subhedar Kaka, District Congress President Shri Anantrao Bhide offered their expert guidance to the Estate. The instalments of the LIC loan alongwith the interest were paid in time and there were no dues at all. In April 1974 a comprehensive guidance seminar for the educated unemployed was arranged in the Kalyan Kendra. In this year 1975-76, the dues were on the increase and it affected the Estate's work. The construction of the common textile hall for 56 economically backward powerloom industrialists was completed. It was proposed to construct such common textile halls for 100 powerloom industrialists every year. 300 out of 833 members of the Estate were accommodated in the estate while the rest 533 members had no plots. So the Estate got the recommendation of the Regional Town Planning Board and applied to the Government for the acquisition 600 acres of land reserved for the industrial area. The construction of the new office building on the two plots by the main road was undertaken during 1966-67. The building had apartments and shops with all facilities. In this year, a seminar for the educated unemployed was under the Government scheme with the help of the Industrial Corporation and the participants were given guidance. The construction of the Estate office was vigorously in progress and the construction upto the second floor was completed during 1977-78. The building consisted of 20 apartments for shops and 2 spacious halls, one hall was rented to the L.I.C. office. The Estate received the loan of Rs.45,70,000 from LIC as per the first, second and third stages of the extension plan. This enabled the Estate to carry out such a good work. The Estate was not successful in its attempts to get 600 acres of land recommended by the Regional Town Planning Board. In 1980-81 the construction of 20 buildings was undertaken. The estate was aware of the members' difficulties due to the shortage of plots and vigorously applied to the government



for the acquisition 600 acres of land demanded earlier. The government consented to hand over 100 acres of land to the Estate. The building of the Industrial Office is shown in photograph on page 57.

4. THE ICHALKARANJI INDUSTRIAL CO-OPERATIVE ESTATE :  
1981 to 1986/87. <sup>3</sup>

By 1981-82 grand shopping centre, the Kalyan Kendra and 4 common halls were rented to 61 small scale industrialists were in use. Besides these, there was post office, 3 banks, the Medical Association's T.B.Clinic and E.S.I.S. hospital in the campus. The members faced difficulties due to the nonavailability of land as the estate could not get the possession of 100 acres as promised by the government. On 26th May 1983 the new office building of the estate was named as Deshbhakta Babasaheb Khanjire Smriti Bhavan at the hands of S.A.I. Asir, President, Maharashtra State Congress Committee and under the presidentship of Hon. Kallappanna Awade. There were 230 buildings, 7 sizing, 2 processing units, 5 saw mills and timber depots, 11 engineering units, 3 foundries, 809 textiles, the shopping centre, the Kalyan Kendra, 4 common halls, 2 canteens, 1 post office, 3 banks, 1 T.B. clinic run by the Medical Association 1 E.S.I.S. hospital and Samajwadi Prabodhini for social and industrial training on the campus of Industrial Estate. The progress done by estate was quite satisfactory and praiseworthy compared to the progress of other Industrial Estates in Maharashtra. The speedy development of the powerloom industry was the key to the progress of Ichalkaranji Industrial Co-operative Estate. The construction of common textile-cum-hall for 54 economically backward powerloom industrialists was undertaken. At the same time the construction of the new shopping centre near this hall was undertaken. The future of not only the



— BUILDING OF THE INDUSTRIAL ESTATE OFFICE. —

Industrial Estate but of rural area near Ichalkaranji also depends on the powerloom industry. It has been darkened by the minimum wages act, economical slump the customers lessened purchase capacity and the new policy for cloth industry. All round efforts were needed for the break through of this situation Ichalkaranji is known as the Manchestor of Maharashtra. In order to provide social and industrial training to the citizens, Samajwadi Prabodhini- the open university was established on 11th December 1986.

The Estate was awarded Charubhai Shaha Industrial Development and Research Trust's first prize of "The Ideal Industrial Estate" for its progress and efficient administration. This enhanced the Estate's reputation. A glance at the Estate's progress during 1986-87 shows that the powerloom industry was the main business of the estate. The future of Ichalkaranji city and the Estate depends on this business. The comprehensive progress made by the estate is the pride for the city. The future of Ichalkaranji and its nearby rural area depends on this business. The minimum wages act, trade slum, the inefficient yarn supply and the cloth industry policy have brought the business into a pitiable condition. It was expected to overcome this situation, the government must have a long range planning and it should provide the businessmen low-interest loans and expert guidance.

During the year 1986-87, 183 buildings in the 6th stage were constructed and 15 buildings in the 7th stage were under construction. 9 industrialists were accomodated in the fifth hall. 61 small scale industrialists were accomodated earlier in 4 halls. The estate has applied to the government the land reserved for garden for development. If the estate acquires this reserved land, there will be a prettier garden there than "Late Seth Phulchand Shaha Udyan" on 38.5 acres plot at present.

The estate was aware that its members are in difficulties due to shortage of land. Now the estate by its efforts has got 102 acres of land at Shahapur (Ichalkaranji) when the plots and estimates will be ready, the inconvenience of the members will be over. The sheds constructed by the Industrial Estate and other industrial units with green belt of trees is shown in the photograph on page 60.

#### 5. PRESENT POSITION OF THE ICHALKARANJI INDUSTRIAL

##### CO-OPERATIVE ESTATE :

Name of the estate	: The Ichalkaranji Industrial Co-op. Estate Ltd., Ichalkaranji, Dist. Kolhapur
Date of establishment	: 10-9-1959
Total area of the Industrial Estate	: 106 acres 20 gunthas
New area acquired at Shahapur(Ichalkaranji)	: 102 acres.
Plots developed by the estate	: 335 (105' x 55')
Construction of sheds completed	: 291
Construction of sheds to be started	: 30
Construction of sheds under progress	: 8
Admission to the units in estate	: Registration under small scale industry is required.

Facilities provided by the estate to the industrial units :

- a) Allotment of constructed sheds.
- b) Provision of cement and steel rods in control rate, if member wants to construct shed.

Total units working in The Ichalkaranji Industrial Co-operative Estate Ltd., Ichalkaranji. : 393

#### 6. FINANCIAL POSITION OF THE ESTATE :

After looking into the details of the development of the estate since inception, it is worthwhile to observe its financial position. The data on this aspect is presented in Table 5.1.



—SHEDS OF INDUSTRIAL UNITS IN THE GREEN BELT OF THE ESTATE.—

TABLE 5.1

THE ICHALKARANJI INDUSTRIAL CO-OPERATIVE ESTATE :  
FINANCIAL POSITION

YEAR	NUMBER OF MEMBERS	SHARE CAPITAL (in Rs.)	PROFIT (in Rs.)	LOSS (in Rs.)
1959-60	154	77,500	-	-
1960-61	196	98,000	-	-
1961-62	211	1,06,000	7,355.21	-
1962-63	242	2,11,500	-	23,341.87
1963-64	252	Not available	N.A.	20,434.51
1964-65	258	2,21,500	1,423.07	
1965-66	264	2,24,500	24,931.38	
1966-67	277	2,31,000	47,258.35	
1967-68	284	2,34,500	37,607.07	
1968-69	308	2,47,500	56,297.85	
1969-70	341	3,09,000	28,217.66	
1970-71	427	18,14,000	75,939.53	
1971-72	443	28,92,500	81,442.61	
1972-73	477	34,65,000	1,40,720.63	
1973-74	532	34,91,000	1,32,894.79	
1974-75	811	35,45,600	81,363.80	
1975-76	833	35,42,300	1,01,153.29	
1976-77	849	35,59,200	1,23,622.47	
1977-78	971	35,04,700	88,506.48	
1978-79	1064	40,88,500	1,06,349.96	
1979-80	1100	42,69,800	1,35,470.87	
1980-81	1228	44,29,900	1,58,931.48	
1981-82	1403	49,77,500	2,31,772.64	
1982-83	1435	60,29,900	2,66,483.46	
1983-84	1596	73,35,150	4,62,725.47	
1984-85	1638	88,17,750	6,13,585.01	
1985-86	1643	94,05,050	5,11,136.54	
1986-87	2732	1,01,01,000	7,35,632.06	

The above table indicates that the number of members has constantly increased from 1959-60 upto now. At the initial stage it was only 154 which has increased upto 2732 in 1986-87. The share capital of the Industrial Estate also shows increasing trend throughout the period with the exception of two years i.e. 1975-76 and 1977-78. The share capital was Rs.7,75,000 in 1959-60 which has increased upto Rs.1,01,01,000. As far as the profit and loss situation of the Industrial Estate is concerned, it shows that only in 1962-63 and 1963-64 it incurred losses. Except these two years the Estate has gained profit since 1961-62. There are fluctuations in the amount of profit during these years. The analysis shows that for thirteen years the estate has gained profit of Rs. more than 1 lakh. In 1986-87 the Estate has a profit of Rs.7,35,632. Thus the profit gained by the Industrial Estate shows better performance.

It has been told by the officials of the Estate that in Kolhapur District this is the most profitable and progressive Industrial Estate. Thus the financial situation of the Industrial Estate is having a sound footing.<sup>2</sup>

This is the macro-level picture of the industrial estate. The micro-level picture based on the data from the units covered under the study is presented in the next chapter.

REFERENCES

1. Annual Reports of The Ichalkaranji Industrial Co-operative Estate Ltd. Ichalkaranji : 1959-60, 1961 to 63, 1964 to 70.
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