CHAPTER III
RESEARCH METHODOLOGY

3.0 Introduction
The Indian economy passed through turbulent times during the early nineties. As on 1991 different macroeconomic indicators showed that the economic health of the nation was poor. For instance the rate of growth in prices as shown by the wholesale Price Index (WPI) was in double digit, the level of foreign exchange reserves had touched rock bottom level (less than $ 2 billion) and growth rate in almost all the sectors of the economy has stagnated. Worsening economic situation of the country compelled the policymakers to adopt the new economic reforms. The reforms included measures of liberalization, privatization and Globalization popularly referred as LPG measures.

In the post liberalization period numbers of studies at the micro level have been carried out to bring out the positive/ negative effect of these measures. The studies range from impact on the level of competition for Indian industries, improvement in the productive efficiency and consequent export worthiness of the Indian products etc. The industries located in the M.I.D.C. of Maharashtra also have been influenced by these policy changes at the national level. Effects are observed in the nature and quantity of output, the level of profits, the change in the environment, and on the labour market. Among all these aspects the most important unexplored area is the impact on the industrial labour market in Maharashtra.

3.1. Statement of the Problem:
Maharashtra is observed to be industrially progressive M.I.D.Cs with leading export oriented units (EOUs) districts of Maharashtra such as Sangli Satara and Kolhapur etc. along with medium ancillary unit providing vital support to large units of Pune, Mumbai and Aurangabad. With reference to overall industrial market no study had been taken up to analyze the impact of liberalisation measures. Particularly the most important components in the production process namely ‘Workers’ have been completely ignored. As a result the gains and losses of industrialization in Kolhapur districts due to liberalization have never been documented.
In view of mentioned facts in the proposed research work the researcher intends to study the effect of the liberalization measures on the industrial workers in Kolhapur.

3.2. Profile of the Study Area
3.2.1. Historical Background

Kolhapur district is the southernmost district of Maharashtra. Its headquarter is Kolhapur City which is an ancient city. The city is situated on the banks of river Panchganga and is known as 'Dakshin Kashi'. Kolhapur is seat of Goddess Mahalaxmi and is one of the Shaktipeeths mentioned in Indian mythology. Kolhapur was ruled by Silaharas, Yadavas, Rashtrakutas and Chalukyas in the medieval times.

The growth of district in modern times is fascinating. Chhatrapati Shahu Maharaja is an architect and founder of modern Kolhapur. The district is abundant in natural resources-water, soil, natural vegetation, animal wealth and minerals. As a result, Kolhapur is one of the most agriculturally advanced districts of not only Maharashtra but also India. It is fast becoming an industrialised district as well and already a front runner in agro-based industries. Kolhapur District is one of the shining examples in the Co-operative Movement of India. No doubt, the district has the highest per capita income in the Maharashtra State and one of the highest in the country.

Kolhapur has a distinct culture developed as a result of rich history and its quality of people who have been front-runners in various fields. Kolhapur is famous in the country for production of Jaggery, Kolhapuri Chappals, silver jewelry, and Indian wrestling.

The physical setting of the Kolhapur district is divided into three main parts namely Eastern ranges, Central ranges and Southern ranges. Eastern and Central ranges have black soil formed from 'lava' and at some places it has large tracks of fertile land. The western ranges are mostly hilly and have red soil. The majority area in the west is under thick forest coverage.

Panchaganga, Warana, Dudhaganga, Vedganga, Bhogavati, Hiranyakeshi and Ghataprabha are main rivers which flow towards east through Western Ghats. The river Panchaganga is formed by the tributaries namely the Kasari, the Kumbi, the Tulsi and the Bhogavati. Krishna River flows in the east on eastern border of the district, similarly Tillari river flows on western border to west.
The Major Industries in Kolhapur Districts
1. District:
   Kolhapur

2. Area
   7692 sq. kms.

3. Sub-divisions
   Four- (Karveer, Gadhinglaj, Radhanagri, Ichalkaranji)

4. Talukas
   Twelve- (Karveer, Kagal, Panhala, Shahuwadi, Hatkalangale, Shirol, Radhanagri, Bhudargad, Gadhinglaj, Gaganbawda, Aajra, Chandgad)

5. Population
   Total-35,15,413
   Male-18,03,746
   Female-17,11,667

6. Literacy
   Per cent-77.23
   Total-23,75,780
   Male-13,74,321
   Female-10,01,459

7. Industries
   Big-13
   Medium-850
   Small-217

8. Weather
   Temperature-Max.-36 Deg. C.
   Min.-14 Deg. C.
   Rainfall-1138.5 mm (Average)

9. Main Crops
   Sugarcane, rice, soyabean, groundnut

Source: Census of India 2001

a) Total Population
   The total population of the district is 35,15,413.
b) Population Density
The population density of the district is 457 persons per square kilometers. The urban density is 1804 and the rural density is 327.

c) Urban Population
29.65 percent population of the district lives in urban areas. There is an increase of 3.32 percent compared to 1991 urban population.

d) Sex Ratio
The sex ratio of Kolhapur district is 949. Urban sex ratio is 918 and rural sex ratio is 962.
e) Average Literacy

The average literacy in Kolhapur district is 77.23 percent. Urban literacy is 86.13 percent and rural literacy is 73.41 percent.

f) Occupational Distribution of Population

65 percent population of the district is engaged in primary sector, 17 percent in secondary and 18 percent in service sector. The occupational Distribution of Population is presented in the following pie-chart.

3.3. District Industries Center

The District Industries Center (DIC), Kolhapur was established in 1979. The major objective behind was to encourage all the small-scale industrialists and help them under one common roof. The implementation of Graduate Unemployed schemes of the Government was also another important aspect.

a) Industrial area of MIDC

There MIDC (Maharashtra Industrial Development Corporation) areas are 2 existing and 4 more are proposed. A total of 1207 units are functioning in these two existing MIDC Areas.
Industrial Estate.
The former Kolhapur State Government had set aside some area on the eastern outskirts of Kolhapur city for constructing sheds for industrial purposes. The area was known as “Shivaji Udyam Nagar” or “Small Scale Industrial Zone”. This area measuring about 14.27 acres has been divided into 129 plots, of which, This industrial estate falls 'within the Pilot Community Project area, and the State Government has decided to convert the industrial zone into a full-fledged industrial estate by assisting the plot holders in constructing factory buildings and by starting some production-cum-training centers in the estate. The Central Ministry of Commerce and Industry has also started a common facility centers for the use of Small Scale units in the premises of the estate.

Government of India approved the scheme in 1957 and sanctioned a loan for it. A good deal of development, including roads, drainage and water pipe line has already been completed. The plot-holders in the estate have formed a co-operative society known as "Kolhapur Udyam Co-operative Society Ltd." for the organisation and management of the estate. The industrial establishments engaged mostly in engineering industry i.e., foundries, workshops, automobile repair shops, smithy, etc., exist in the industrial zone.

The industrial estate provides a factory space of different sizes and common facilities like supply of electricity for lighting and power, water, drainage and easy access to road or rail. The small entrepreneurs can thus utilize their limited financial resources for the purchase of machinery and for expanding their production. Factories located at the Estate are calculated to get the advantages of the common facility center organised by the Small Industries Service Institute, Ministry of Commerce and Industry, Government of India which is equipped with modern machinery and allowed to be used on payment of nominal charges.

There are nine industrial estates in Kolhapur, two Maharashtra Industrial Development Cooperation (MIDC) areas and seven cooperative industrial estates. Altogether, 1,207 units function in the two existing MIDC areas. The details of the same are given in the table below.
Table No. 3.3.1 Industrial area of Kolhapur MIDC

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>MIDC Area</th>
<th>Total Area (Hectors)</th>
<th>Total Plots</th>
<th>Distributed Plots</th>
<th>Functional Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SMAK Shiroli Mfg. Assoc.</td>
<td>269</td>
<td>714</td>
<td>700</td>
<td>640</td>
</tr>
<tr>
<td>2</td>
<td>Gokul Shirgaon Mfg. Assoc.</td>
<td>233.93</td>
<td>775</td>
<td>751</td>
<td>567</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>472.93</td>
<td>1489</td>
<td>1451</td>
<td>1207</td>
</tr>
</tbody>
</table>

Source: www.kolhapur.nic.in

The Shiroli Industrial estate covers 269 hectares. Of the total 714 plots in this estate, around 700 plots have been distributed. 640 industries are currently functioning in this area. MIDC has spent about Rs. 6 crores on providing basic infrastructure in this area. The major industries in this estate are Menon Casting, Manograph Industries, Lokmat, Kolhapur Steel, Saroj Iron Industry, Sriram Foundry, Mahalaxmi Masala Products, Bharat Udyog Ltd. and H.J.Iron.

The Gokul Shirgaon industrial estate is spread over 233 hectares. It has 775 plots of which 751 are distributed. 567 industries function in this estate, most of them relating to engineering and foundry. The major industries are Gokul, Eurotex, Menon Bearings and Indocount. As far as cooperative industrial estates are concerned, the Government has approved seven estates. 2140 plots have been issued, of which 1,272 are functional; 44,850 workers are engaged in these estates. The Kolhapur industry is a source for OEMs (Original Equipment Manufacturers) outside India. It has the potential to emerge as an engineering component exporter.

b) Proposed MIDC

The following projects have been planned by MIDC:

Table No. 3.3.2. Proposed MIDC in Kolhapur District

<table>
<thead>
<tr>
<th>Sr.No.</th>
<th>MIDC Area</th>
<th>Total Area (Hectors)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kagal</td>
<td>1038</td>
</tr>
<tr>
<td>2</td>
<td>Gadchinglaj</td>
<td>114.15</td>
</tr>
<tr>
<td>3</td>
<td>Ajara</td>
<td>6.01</td>
</tr>
<tr>
<td>4</td>
<td>Chandgad</td>
<td>181.65</td>
</tr>
</tbody>
</table>

Source: www.kolhapur.nic.in

MIDC has proposed four estates, located at Kagal, Gadchinglaj, Ajara and Chandgad. Also, the State Government is planning to set up an exclusive silver zone at Hupri near Kolhapur. Hupri town is already famous for its silver jewellery, fine
craftsmanship and superior designs being the hallmarks of Hupri jewellery. The town already boasts of some 2,500 silversmiths and another 20,000 craftsmen who are dependent on this trade. The size of the industry is put at Rs. 125 crore and the finished goods are in demand across the country. Currently, the business is scattered across Hupri as there are concerns about pollution due to overcrowding. The silver zone will offer larger space for the production of ornaments, where traders from all over the country can come and do business in an organised manner.

c) Cooperative Industrial Estate

A total of Seven Industries estates have been approved by the Government in the corporation sector. The details of these are given in the following table:

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of Co-op. Industries Estate</th>
<th>Area (Hectors)</th>
<th>Total Plots</th>
<th>Plots Issued</th>
<th>Functional Units</th>
<th>Total Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kolhapur Udyam Co-op. Society</td>
<td>14.27</td>
<td>129</td>
<td>129</td>
<td>129</td>
<td>1030</td>
</tr>
<tr>
<td>2</td>
<td>Ichalkaranji Inds. Estate</td>
<td>206.2</td>
<td>689</td>
<td>580</td>
<td>598</td>
<td>500</td>
</tr>
<tr>
<td>3</td>
<td>Parvati Inds. Estate, Yadrav</td>
<td>266</td>
<td>678</td>
<td>629</td>
<td>150</td>
<td>10000</td>
</tr>
<tr>
<td>4</td>
<td>Chh. Shahu Inds. Estate, Shirol</td>
<td>12</td>
<td>180</td>
<td>140</td>
<td>58</td>
<td>1000</td>
</tr>
<tr>
<td>5</td>
<td>L.K.Akiwate Inds. Estate, Jaysingpur,</td>
<td>73</td>
<td>192</td>
<td>180</td>
<td>89</td>
<td>10000</td>
</tr>
<tr>
<td>6</td>
<td>Laxmi Inds. Estate, Hatkanagale.</td>
<td>20</td>
<td>131</td>
<td>128</td>
<td>100</td>
<td>500</td>
</tr>
<tr>
<td>7</td>
<td>Total</td>
<td>806.47</td>
<td>2421</td>
<td>2140</td>
<td>1271</td>
<td>44850</td>
</tr>
</tbody>
</table>

Source: www.kolhapur.nic.in

3.4. Large Scale Industries in Kolhapur

As in March 2001, the Central Government has granted permission for 277 medium and major industries in Kolhapur. Of these, 110 units have started production. The major units are 21 spinning mills (private and co-operative), 15 sugar industries and 21 textile mills. The remaining 53 units are based on engineering goods, poultry, foundry, chemicals, animal foods, etc. The 110 units represent an investment of Rs.563 crores and generate employment for 55,000 people.
a) Cotton Textiles.

Cotton has been an important fiber crop of Kolhapur since the beginning of the present century. With a view to exploit the available resources, the late Maharaja Shahu Chhatrapati of Kolhapur, started a cotton textile mill at Kolhapur. It was owned by the Kolhapur Government. Originally it had only a spinning section and weaving department was added to it in 1928. Till 1935, it was managed by Messrs. James Finlay and Co. who acted as the agents of the Kolhapur Government. With the merger of the Kolhapur in Bombay State in 1949, the unit was taken over by the Government of Bombay. It was the only large scale textile unit working in the district.

b) Gul Making.

Jaggery is a traditional unrefined non-centrifugal sugar consumed in Asia, Africa and South America. It is made for direct consumption. This type of sugar is a concentrated product of cane juice without separation of the molasses and crystals, and can vary from golden brown to dark brown in color. The Indian state of Maharashtra is the largest producer and consumer of jaggery. In Maharashtra most vegetables curries and dals contain jaggery. Jaggery is specially used during Makar Sankranti for making sweetmeat called tilgul. In rural Maharashtra, water and a piece of jaggery is given when someone arrives home from working under a hot sun. Kakvi, a byproduct from production of jaggery, is also used in rural Maharashtra as a sweetener. It contains many minerals not found in ordinary sugar and is considered beneficial to health by the traditional medical system Ayurveda. Jaggery made from sugarcane contains vital nutrients like: Glucose, Calcium, Iron, Phosphorus, Protein, Copper etc.

c) Silver Ornaments.

The village of Hupri near Kolhapur has today become a busy and well known place for silver jewellery. Silver jewellery of unique craftsmanship is executed here with traditional artistry. The speciality of silver jewellery of Hupri is payal or anklet of various types of length and design. Hupri is also famous for the seamless silver balls known as gujrav. These hollow silver balls combined with solid ones, known as rawa are added to payal as per design needs. There are a variety of designs created through the stamped-out dies. Skilled craftsmen of Hupri turn out complicated payals of different names such as painjan, koyali, kamarpattas etc. They also make special
kinds of necklaces. Silver jewellery from Hupri is in great demand at home and abroad. Jewellery shops in Kolhapur, Miraj, Sangli, Belgaum etc make good business of Hupri jewellery as women-folk in those areas and elsewhere clamour for such silver ornaments.

The master craftsmen of Hupri moved with the times. Many changes took place in their karkhanas (work-shops). Replacement of an imported, hand operated 'pasta' machine for making silver strips and a fly-press for stamping out dies have changed the scene completely. Few years ago there were 9-10 karkhanas (workshops) employing 20-30 craftsmen. During the span of fifteen years the number of karkhanas reached to 60 and over 200 skilled craftsmen found themselves overloaded with work. Out of the population of 18,000 in Hupri village, about 4,000 men work as karigars and about 3,000 women work at chain making in their spare time. Wages distributed to karigars every month go upto Rs. 10-11 lakhs, totaling over a crore of rupees per annum.

d) Electricity Generation.

The first power house at Kolhapur was started in 1921 with gas plants and two sets of 120 K. W. In 1928, diesel engine was installed in it, another two sets of 200 K. W. and 300 K. W. were installed in 1933 and 1939 respectively and a set of 260 K. W. was added in 1949. It was a generating station till 1953, but was transformed into a receiving station afterwards. It received bulk of its electric supply from Radhanagari Hydro-Electric Works. The work of conversion of current from D. C. to A. C. between Kolhapur and Radhanagari was completed by June 1947. The maximum load of the Radhanagari Hydro-Electric Works was 30,000 K. V. A. and the biggest consumer of it was the Kolhapur Electric Supply Co., which consumed about 700 K. W. A. load. This concern supplied half of the electricity consumed by the city.

The second powerhouse was opened at Ichalkaranji in 1935. Two more stations were subsequently opened, one at Kolhapur and the other at Jaisingpur. The one at Kolhapur was later on amalgamated with the old. The Radhanagari Hydro-Electric Works started functioning in 1953. Since then, no other powerhouse was opened in the district till 1956. The Radhanagari Project supplied electricity to Ichalkaranji, Jaisingpur and Kolhapur for domestic consumption as well as for industrial purposes and to small irrigation works like electric pumps planted on the
Panchaganga river bank from Kolhapur to Shirol under the Emergency Lift Irrigation Scheme.

e) Bidi Making and Tobacco Curing

As the land and climate in Shirol, Hatkanangale, Gadhinglaj and Karvir talukas are most suitable to growing tobacco, it has been one of the most important cash crops in these parts of Kolhapur district. Till 1916, bidi making was carried on on cottage basis. There was no local tobacco market and all the raw tobacco produced was sent out to Sangli. A tobacco market was organised at Jaysingpur in 1916. The establishment of this market, the assistance by way of tax concessions granted by the former Kolhapur State authorities to these artisans and the availability of rail road facilities, helped to stimulate the growth of organised tobacco-curing and bidi-making industries in the district.

f) Printing Press.

The printing industry in Kolhapur is at least as old as 1870, when 'Dnyana Sagar' a marathi weekly was started. Some small presses were started during 1900-1939. The development of this industry was largely assisted by the demand of printed materials, by educational institutions, co-operative societies, banks, and cinemas. In 1947, there were 27 printing presses in Kolhapur city. In the district as a whole, there were nine presses registered under the Factories Act including one Government printing press. All the presses printed books, booklets, hand-bills, memo-forms and invitation cards. Of the nine presses registered under the Factories Act, three presses published daily newspapers.

g) Match Industry

A match factory was started in Kolhapur city in 1945. In its initial stages it was helped by the old Kolhapur State in securing suitable wood from local forests.

h) Cement Processing.

There were two factories in the district engaged in cement processing, one manufacturing hume pipes and R. C. C. poles and the other cement tiles, in 1953-54. Both were started in 1945. During World War II there was a great demand for home pipes, R.C.C. poles, and cement tiles, the supply of which was not readily available. These two factories were, therefore, organised to supply cement materials. There was
great scope for expansion of these factories in view of irrigation and other construction schemes undertaken by Government. Short and irregular supply of cement was one of the greatest handicaps from which these processing factories suffered.

i) Chemicals and Pharmaceuticals.

The preparation of Ayurvedic medicines was carried on by Dr. Babasaheb Gune, Raj-Vaidya of the former Kolhapur State, long before the enforcement of the Factories Act in the State. He started a factory for the manufacture of patent Ayurvedic medicines on a commercial scale in 1944.

j) Soap Industry.

In 1954, there were nine units manufacturing soap in the district. All of them were staked during the thirties and forties of the present century. Availability of groundnut oil and assistance given by the former State authorities in procuring caustic soda helped in the development of the industry. All these units were engaged in the manufacture of laundry soap. Out of the nine units, only one was registered under the Factories Act, 1948 and was using power in the manufacturing process. All others were small units in which manufacturing was done by hand.

k) Cine Industry.

Kolhapur can be regarded as one of the main centres of the film industry in Maharashtra State. In Kolhapur district there are two studios situated in the city. The studios are well equipped with the latest cine equipments available in India. Movie cameras, trollies, are some of the items of studio machinery. “Other permanent structures are the georgeous plain sets, huge fort walls, wide cloth screens depicting scenes from epics and history, beautiful gardens etc. The mechanical equipment is mostly imported either from U. S. A. or U. K. and it costs a producer an investment worth a couple of lakhs of rupees to start upon picture production. The raw film also is one of the items of import. Both the studios have their own laboratories where the film is processed after the shooting is completed. The producers do not take the responsibility of exhibiting the films produced by them but they sell the rights for the State, for the region or for the World to the distributors who take it upon themselves to publicise the film and attract to it a wider market. One of the studios has a publicity department of its own and the expenditure on publicising is an important item of the total costs. The employment inflates when actual shooting takes place. Unlike other
industries the studios do not work round the clock but are busy when the production work is in full swing. The salaries paid to the staff, differ according to the skill that is required on the part of the employee towards the finishing of the picture under production. Most of the higher staff such as directors, cameramen, actors and actresses is on a contractual assignment and their payment depends upon their market value or popularity. Leaving aside the case of cine workers in this category so far as the rank and file is concerned, their lot cannot be regarded as satisfactory from the point of view of employment and remuneration.

Most of the pictures produced by the studio-owners are Marathi which makes the market for the production limited. The non-availability of Hindi actors and actresses due to the incapacity of the home producers to pay their handsome salaries is one of the main causes for a very few Hindi pictures being produced by the Kolhapur studios. The pictures produced are social, historical and mythological as well. Generally speaking the cine industry in the district cannot be regarded as being in a state of prosperity. The equipment requires to be modernized and replaced, finance is not easy to obtain, taxation is heavy, market is limited, raw material is not easily available, new blood in the form of actors and actresses, story writers and music directors is not forthcoming. Under such circumstances the very continuance of the industry from its inauguration in 1930's till today could be regarded as a phenomenal achievement.

3.5. Small-Scale Industries.

Kolhapur district have 18,698 industries, generating an employment of around one lakh. The major small-scale units manufacture auto spare parts, casting, engineering job work, diesel engines and engine parts, textile and silver ornament and chappals. During the period, 1950s to 1980s, the foundry in Kolhapur developed due to incoming business from automobile industries in Pune. However, now industries in Pune are opting for backward integration. As a result, this business has diminished, limiting the growth of the foundry industry. There are many small scale and cottage industries, like hand-loom-weaving, gold smithy, oil crushing brick and tile making, carpentry, leather working and tanning, fiber working and blacksmithy etc., in the district. The table given below shows various small-scale industries and the approximate number of persons engaged in them: -

166
Table No. 3.5.1. Production wise distribution of Small-Scale Industries in Kolhapur District

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Agn. Oriented</td>
<td>189</td>
<td>275</td>
<td>484</td>
<td>520</td>
<td>841</td>
<td>534</td>
<td>961</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Forest Oriented</td>
<td>100</td>
<td>200</td>
<td>300</td>
<td>1500</td>
<td>10</td>
<td>331</td>
<td>291</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Mineral Oriented</td>
<td>87</td>
<td>90</td>
<td>177</td>
<td>300</td>
<td>400</td>
<td>187</td>
<td>190</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Food &amp; Drinks</td>
<td>68</td>
<td>158</td>
<td>226</td>
<td>610</td>
<td>865</td>
<td>399</td>
<td>517</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Clothing</td>
<td>2559</td>
<td>1507</td>
<td>4060</td>
<td>1958</td>
<td>2653</td>
<td>4662</td>
<td>3888</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Leather</td>
<td>167</td>
<td>198</td>
<td>365</td>
<td>615</td>
<td>935</td>
<td>298</td>
<td>681</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Leather</td>
<td>93</td>
<td>112</td>
<td>205</td>
<td>700</td>
<td>725</td>
<td>389</td>
<td>920</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Plastic</td>
<td>123</td>
<td>494</td>
<td>617</td>
<td>564</td>
<td>920</td>
<td>69</td>
<td>997.01</td>
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<tr>
<td>9</td>
<td>Chemical</td>
<td>130</td>
<td>551</td>
<td>681</td>
<td>693</td>
<td>1327</td>
<td>505</td>
<td>726</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Metal (Eng.Ind.)</td>
<td>1936</td>
<td>1656</td>
<td>3592</td>
<td>5819</td>
<td>10100</td>
<td>1100</td>
<td>8700</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Electric</td>
<td>38</td>
<td>68</td>
<td>106</td>
<td>900</td>
<td>768</td>
<td>77</td>
<td>149</td>
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<td>12</td>
<td>Electronic</td>
<td>31</td>
<td>73</td>
<td>104</td>
<td>225</td>
<td>127</td>
<td>49</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Others</td>
<td>3923</td>
<td>3858</td>
<td>7121</td>
<td>29200</td>
<td>35737</td>
<td>9070</td>
<td>5787</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>9438</td>
<td>9260</td>
<td>18698</td>
<td>43604</td>
<td>65398</td>
<td>17070.01</td>
<td>23819.01</td>
<td></td>
</tr>
</tbody>
</table>

Source: www.kolhapur.nic.in

a) Handloom Weaving

Among the existing cottage industries, hand-loom weaving is the most important industry. A majority of the artisans engaged in it does the work of weaving and the remaining persons do subsidiary processes like winding, sizing, dyeing etc. There are about 1905 hand-loom and 75 power-loom establishments in the whole of Kolhapur district with Ichalkaranji, Kolhapur, Rendale, Vadgaon, Kagal, Kodoli, Halkarni, Nandani, Bhirewadi and Sarud as important centres. Ichalkaranji is the biggest centre, which possesses the largest number of looms.

b) Brick and Tile Making an Pottery.

This industry is mostly in the hands of kumbhars. These artisans work independently in rural areas and make earthen-pots, toys, tiles and bricks. They do similar work in urban areas also. In a few cases they are employed by contractors on daily wages for manufacturing bricks and tiles. The main centres around which the industry is located are Kolhapur, Vasagade, Halkarni, Kodoli, Rashiwade, Sarud and Hupari.
c) Leather Working.
Kolhapur is known for its art and handicrafts. One of its sovereign gifts to the world is the Kolhapuri chappals (slippers), which are manufactured by skilled people dedicated to the art. There are about 15 co-operative societies of Kolhapuri chappals manufacturers in the district. 5, 633 units engaged in the manufacture of Kolhapuri chappals, employing 22,500 artisans, of which 10% are women artisans. Nearly 80% of the units manufacture items for dealers who supply raw materials to these artisans.

The Kolhapur chappals are divided into two major categories: (i) Export variety, and (ii) Fancy variety. The export quality chappals are mainly produced in Miraj, Jat and Kawathe-mahankal of the Sangli district, while the fancy variety is mainly made in the Kolhapur district. The total production of the export variety of Kolhapuri chappals is estimated at Rs. 2 crores and that of the fancy variety at Rs. 10 crores annually. Many devotees visit Kolhapur for Goddess Mahalaxmi’s darshan and on their way back, purchase Kolhapuri chappals at Kolhapur. In Kolhapur city, the centrally located Shivaji Market has a concentration of 150 shops of which about 50% exclusively deal with Kolhapur Chappals. 40% of the production of the fancy variety is sold locally and the rest in Mumbai, New Delhi, Ahmedabad, Bangalore and other commercial centres in the country through dealers and state emporiums. The chappals are mainly exported to France, China, Japan and Australia.

d) Tanning.
Tanning industry is found in almost all villages in the district. In every village there are one or two Dhor families who do this work. But the most important centres of tanning are Kolhapur, Vadgaon, Ichalkaranji and Gargoti. There were 26 tanners’ establishments in Kolhapur city alone, engaging about 67 persons in the year 1950. The chamars at some places in the district also do the work of tanning in addition to their routine work of shoe-making.

e) Rope-Making.
There are vast plantations of sisal fibre in the district and it has enabled a considerable number of persons to be engaged in fibre or rope making industry. They come from the Mang caste and rope-making is their hereditary occupation. They
produce ropes of different sizes. Alte, Vadgaon, Hupari, Kadoli and Kabnur are the main centers of rope-making in the district.

f) Silver and Gold Industry.
This is an important village industry of the district, in which Sonars are engaged. But in the urban areas and at places like Hupari, persons of different castes like Marathas, Brahmins, Jains, Muslims, Kshatriyas and Lohars are engaged in this occupation. This industry divides itself into six groups according to the nature of work performed by each of them. There are, in the first place, local shroffs or Sarafs whose business is confined mainly to the sale of gold and silver ornaments. They keep a stock of gold and silver, and are found at places like Kolhapur, Hupari and Kagal. They entrust the work of making various articles of gold and silver to a large body of local artisans. The second group contains two distinct categories of workers, (1) those who make gold ornaments, (2) those who make silver ornaments. The third group specialises in the manufacture of gold and silver beads or goojarve, which necessitates an amount of specialization and skill. The fourth makes rolled gold ornaments. The fifth and the last group consist of miscellaneous workers who make gold and silver ornaments, and articles of various metals like copper and brass etc. In rural areas Sonars serve local customers who give them the required quantity of gold or silver in advance for making ornaments. In all, around 500 artisans employed in about 200 units in these districts, produce artware valued at Rs. 80 lakhs. The major problems are the ever-increasing price of silver and the wages of the skilled artisans who are attracted towards other trades.

g) Blacksmithy.

In all important villages in the district, there are Lohar families who do the work of black-smiths. They produce small iron articles like frying pans, scarpers, spoons and chhanis. They repair buckets and iron tools like knives, sickles, scythes and horse-shoes and agricultural implements like ploughs, etc. The number of artisans engaged in the industry. Main centres around which this industry is located are Kolhapur, Ichalkaranji, Hupari, and Rashiwade. There are some Lohars who did the work of carpenters in addition to their usual work. They repaired agricultural implements like bullock carts.
h) Oil Crushing.

Kolhapur district produces groundnut on a large scale. Oil crushing is, therefore, an important industry. It is done by power mills, as well as by village ghanis. But village ghanis are much larger in number and therefore press more oilseeds than mills working on power. There are about nine oil mills and 890 country ghanis. Village ghanis are mostly wooden or stone ghanis worked by a single bullock. Nearly every village has a ghani. This industry engages artisans who are mostly lingayat-telis. Oil crushing is their hereditary occupation.

i) Lacquer Work Industry.

The lacquer coating industry is found only at village Patagaon in Bhudargad taluka. They manufacture wooden cradles coated with lacquer and small household articles like buttermilk churners, small spoons and combs. Patasi, navalya, tasani, randha, compos, lac, zinc-powder, different-colours, polish-paper, kevada-leaves, gadas, patti (iron), kaman, are the main tools required in the process. The total production of cradles is about 60 a week. Two workers are able to make one cradle of 2½ x 1½ x ¾ size.

j) Bamboo Working.

Buruds and Korvis are the two communities engaged in this occupation. Korvis make big containers-Kanagi-for storing grains. Buruds make baskets, winnowing fans, mats, winnowing trays and chairs from split-bamboo strips. The main centres of this industry are Kolhapur, Kagal, Ichalkaranji and Vadagaon.

3.6. Objectives of the Study:

1. To study the effect of liberalization on the working of Medium and Small Scale units in M.I.D.C. of Kolhapur

2. To study the effects of liberalisation on the industrial workers.


4. To study the impact of labour flexibility during the reform period on workers in the manufacturing sector in Kolhapur.
3.7. Methodology and Sampling Design:

a) Sources of Data:

The statement of the objective defines the scope of our study, which is based on detailed analysis of primary and secondary data. We have used two sets primary data. The first relates to employed workers and second unemployed workers in manufacturing industries. Primary data have been collected from employed workers at first stage of field work. In second stage unemployed industrial worker those lost their job in the industry due to Economic Reforms have been covered. The secondary data have collected from the sources such as various publications, reference books, research projects, articles, journals and Internet.

b) Sample Size:

For the present study of industrial labour working in the Kolhapur MIDC, 400 respondents were selected. For the present study 200 workers from employed industrial workers and 200 respondents from who have left the industry, have been selected by using Stratified Random Sampling method. The selection of total sample of 400, working and non-working Industrial labour is given as follows.

<table>
<thead>
<tr>
<th>Industrial Area</th>
<th>Employed Worker</th>
<th>Unemployed Worker</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Respondents</td>
<td>Percentage</td>
</tr>
<tr>
<td>Gokulshirgaon MIDC Kolhapur</td>
<td>67</td>
<td>34</td>
</tr>
<tr>
<td>Shiroli MIDC Kolhapur</td>
<td>67</td>
<td>34</td>
</tr>
<tr>
<td>Y.P Powar, MIDC Kolhapur</td>
<td>66</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

c) Primary Data

As mentioned earlier, we collected primary data employed and unemployed industrial workers, only for three M.I.D.Cs industrial areas such as Gokulshirgaon MIDC, Shiroli MIDC and Y. P. Powar MIDC Kolhapur. For unemployed workers, those workers who have left the industry, Researcher have taken the name and contact address from company record and visited them. The scope of the study covers the Medium and Small Scale industrial units in Kolhapur. The primary data for this study have been collected through the questionnaire, personal interview and detailed group discussion with workers in industries of Kolhapur.
d) Secondary Data

The data pertaining to the total number of industrial units in the Kolhapur, employment, production etc. have been collected from different secondary sources such as Annual Survey of Industries, District Socio-economic Survey of Government of Maharashtra and Publications of District Industries Centers (DIC) etc. The time period of the study is from 1990-91 to 2009-10. Data have also been collected from District Statistical Abstracts and Maharashtra Economic Survey, various issues.

3.8. Analysis and Interpretation

The secondary Data obtained from the Socio-Economic Review (Survey) Government of Maharashtra in the industries have been analyzed with the help of popular econometric techniques such as regression analysis, trend fitting. These methods helped to bring out the hidden trend in progress of industries in Kolhapur. It has also useful in highlighting some of the hitherto unknown issues pertaining to industries in the study area. In the process of analysis computer packages for economic analysis such as SPSS has been used along with MS-EXCEL and MS-WORD. In the study attempt have done to test of hypothesis for the industries in Kolhapur District. Different techniques available in statistics for hypothesis testing such as Z - test and one sample |t| test.

The primary Data collected from the field survey in the industrial workers has been analyzed with the help of statistical techniques such as simple averages, Chi Square Test. These methods helped to bring out the realities of effect of Liberalisation on industrial workers in study area.

3.9. Significance of the Study:

The present study is a path breaking event in the field of assessment of impact of Liberalisation on industrial workers. This work is helpful to academicians, industrialists and policy makers in understanding the reality that how Liberalisation affected employment and socio-economic conditions of industrial workers. In this study the economic aspects of industrial workers have been highlighted.

Present research work tried to explore effects covering Economic, Social, Educational as well as income and employment growth etc. Present study has also helped in further enquiry with reference to effects analysis of Liberalisation on workers.
3.10. Hypothesis

Hypothesis of the present study were as follows

1) Liberalisation has influenced the economic condition of Industrial workers.
2) Liberalisation has influenced living status of Industrial workers.

3.11. Limitations of the Study

1. The time period for the study is only twenty years.
2. The information collection was permitted only for male workers.

3.12. Chapter Scheme:

Chapter scheme of the study is as follows

Chapter I : Introduction (Industrial Development in Indian)

In this Chapter an attempt is made to review of the performance of the Indian industry in terms of certain broad macroeconomic indicators over the past 20 years of the 1991 for which data are now available. Firstly, in this chapter industrial development in post independence period is covered. Secondly, post independent Indian industrial policy resolution 1948, Industrial Policy Resolution 1956, Industrial Policy Statements 1977, Industrial Policy of 1980, Industrial Licensing Policy, Pressure for Industrial Liberalization and New economic policy in 1991, including economic reforms under the Rajiv Gandhi and P.V. Narshana Rao Regime has been reviewed and appraised Indian Economic reforms Thirdly, is explained Review of Labour Concept, such as Conceptual and theoretical background. Different concepts relating to labour market are analysed. Various Labour market theories are reviewed viz. Demand for and supply of Labour, wages and unemployment.

Chapter II : Review of Literature

In this chapter review of studies made in India, as well as Maharashtra, related to the new economic reforms and its impact on industrial labour is taken. A brief review in this chapter is divided into following three sections viz. 1) Economic reforms in India, 2) Economic Reforms and Indian Manufacturing Sector, and 3) Liberalisation and Industrial Workers in India. These studies enable to understand effect of new economic policy on Labour.
Chapter III: Research Methodology

This chapter covers hypothesis, objectives, significance and scope of study. Research methodology and tools of the data analysis used in the study are also covered. In this chapter researcher introduced profile of Kolhapur district. An attempt is made to acquaint with the historical, geographical, Socio-cultural and economic features of Kolhapur District. In addition to that New Economic Reforms and Industrial Development of Kolhapur District with certain parameters have been explored.

Chapter IV: Data Analysis and Presentation

This chapter Section first examines the basic objective of the study is analysed the trends in industrialization in the reform period, in the Kolhapur District. The data relating to the Kolhapur district was collected from the District Industries Centre (DIC) of the respective areas. The variables considered with reference to the industries are: Number of registered units, Number of functioning units, Number of closed units, total employment, total stable capital invested, Working capital invested, earnings of workers and employees, total value added. All these variables together would show the boost to the process of industrialisation the new reforms are providing. After computing the percentage changes and the growth rates of all the variables, different sets of hypothesis are also tested to examine the validity of various propositions of industrialisation in the Kolhapur.

Section second analysed socio-economic profile of sample worker which includes native place, education, age, religion, caste, nature of work, marital status, and skill of the industrial workers. This help to understand the background as well as position of the workers in social structure. It also examines economic, social, and educational benefits of working industrial workers. Economic and social effect of new economic policies on unemployed industrial workers with special reference to Kolhapur MIDC is eventually analysed.

Chapter V: Findings, Conclusion and Suggestion

Major findings, conclusions are given in this chapter. This chapter also provides suggestions for solving various issues and scope for further study.

Bibliography

Appendix
References


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