




Chapter III

History of Growth of Aurangabad City



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1. Introduction

The urbanisation and the trend of urbanisation have already been discussed in the earlier chapter. Taking into consideration the urbanisation concept the effects of urbanisation on rural landscape is to be noted. For that purpose the developing city like Aurangabad is selected as a case study. The short history of development of Aurangabad city is described in this chapter.

In the sense the process of industrialisation in Marathwada started from 1970 when SIICOM in 1970 selected Aurangabad for planned development. During the previous ten year, Aurangabad city was popular for Historical & tourist Centre. First five years the development took place at Chikalthana, & Paithan Industrial Estates. During these year the land was available at Chikalthana.

The Important industries that developed in Chikalthana were Machinery required for Dairy development was manufactured in Public Sector by H.M.T., EPBX Project of MELTRON, Project of RAX Joint Project of SIICOM & T.T.K. named as LORCOM for the manufacturing of condoms, Devgari Textile Mills, BCL Siring of Bombay Dyeing, Bottling project for LPG Gas Hindustan Petroleums Machinery required for commotion. Industry was

manufactured by Acrew of Walchan Group, BOPP Project cosmofilms for the production of films.

At the same time, the entrepreneur also started establishing the project at Paithan. Nath & Aurangabad Paper Factory was started at Eknath Sahakari Sakhar Karkhana, Jain Synthetics, Foros Engineering, May & Baker Pharmaceuticals Industry, Aristocrat Bag manufacturing of Universal Luggage, Break Linar Project of Hindustan Ferodo, Iron & Still Project of Kanokdhore Steels, Devidayal Rolling Mills. After 1985 – 86 development of Paithan region was rather seized.

The main reason is of-course starting development of Walunj region, but Paithan is defamed due to industrial unrest. Unfortunately, the first death due to industrial unrest took place at Paithan only. The Paithan is selected as a developing city again. Hence, there is every possibility of development of the region due to industrialisation. The area occupied by industrial sector is continuously increasing and the activities related to industries are also developing fast.

Chikalthana Industrial Estate was almost saturated & MIDC decided to develop Walunj, ten kms. away from Aurangabad – Pune Road, acquiring 1600. Hectares of land. Garware acquired

land way back in 1970 under incentive policy of the Govt. This is because Aurangabad is nearer to Jaikwadi & better water supply is possible to the city & industrial unit.

The infrastructural facility being available Walunj developed speedily. The project started first was Bajaj Project, which acquired the land measuring 1000 Acres equal to 2/3 of the Industrial Estate at Chilathana. Within just 15 months, the two wheeler was manufactured in this factory.

By this time the investment in this project is more than Rs. 300 Crores, producing Bajaj Super, Bajaj Chetak, Kawasaki, Rear Engine Rickshaw, Sunny two wheelers. The project has generated the employment to 5000 youths & also generated more than 200 ancillary projects. Due to functioning of this project, many secondary & related to services, Profession & institutions are developed. This has changed the entire composition of Aurangabad City.

Apart from the project of Bajaj, some important projects functioning at Walunj are Crompton Greaves, Jhonson and Jhonson, Birla Dassa Metal, Karona Purna, Greaves Organite, Rallies India, Colgate Palmolive, Dp8ur India, Simons India, J.K. Chemicals, Hindustan Transmission, Ciate Tyres.

While farming the group Taluka is treated as group instead of District. Hence, many projects functioning at Chikhalthana open their industrial units at Walunj. Further, Wokhart Pharmaceuticals BOPP project of Cosmo films, disposable syringe project of Lorcom, Hard Rexin project of Forbes, Sapna mats industry, Bearing prooject of NRB, Aakar Tools is exporint 100% of its production. Due to the speedy development of Walung and surrounding, it has increase burden on civil amenites of Aurangabad.

In consideration of these for plant development of Walunj and Eighteen surrounding villages, CIDCO is working for development of civil amenities.

Sometimes Entrepreneur prefer to develop the industry on private land on Aurangabad - Paithan road near Georai, Brook-Bond Meat factory was developed. In 1985 - 86 Videocon developed two projects on 100 acres of land near Chitgaon. Apart from Aurangabad and district in Marathwada Industrial development can be noted at Jalana, Nanded and Latur. The major region in Marathwada other than Aurangabad is industrially less developed. There should be uniform growth for the purpose of equal opportunities to the masses. But if the growth trend is observed it is not uniform all over Maharashtra.

2. Other developing centers in Marathwada

At Jalana during the last 7 – 8 years industries are developed at 'New – Jalna' on Aurangabad Road. Of course, Jalana is popular for MAHYCO Seeds all over India. Rest of Marathwada other than above - mentioned District Headquarters, the industrial development is not satisfactory.

Latur is placed far better industrially, compared to other cities (District Head Quarters) in Marathwada. Ghee manufacturing factory (COIL), Jawahar Spinning Mill, is functioning efficiently in the industrial sector. There is oil complex of 30 Crores, there is a possibility of the establishment of Spinning Mill by the investment of 25 Crores. Some small - scale projects are also better functioning.

At Nanded during the last 10 years many new projects developed. SIICOM started in 1985 under joint sector. Sipta coated steels factory, this project work very efficiently due to greater demand, Management and capital backing.

The promoter also started nearby Commet steels. The Entrepreneur from Hyderabad started with the help of local industrialist called Godavari Drugs, manufacturing Sulfur Drugs. Bhagyalaxmi Mishra Khat Karkhana, Ujwala Metals, Mahavir Paper Projects are come other important projects.

Nanded is declaring as development centre by the Central Government and MIDC is establishing a separate industrial sector. Hence, in near future, there is a very wide scope for speedy industrial growth of Nanded apart in various Taluka places in Nanded, small scale industries are developing.

From all the above discussions, the information related to private and public sector can be studied. The projects thus can lead in the development of employment opportunities, establishment of Ancilliary industries and development of new service sector areas. These industrial projects have the potentiality to change the total composition of the City.

In the light of above discussion, we can hopefully look forward for some developing Agro-based industries in Marathwada. Cotton production in Marathwada is very satisfactory. Hence, during the last 10 years, many spinning mills developed. Sugar Factories are also engaged in Marathwada. By

the end of the year 1995, there was 53 Sugar factories in Marathwada. However, the number compared to Western Maharashtra is very low, but still they have added to the development of area.

The structure of Aurangabad District and City has rapidly changed during the last 10 years. The progress of this District and City is in all areas such as service sector, industrial sector etc. is very fast. On 8/12/1982 Municipal Corporation was declared for Aurangabad City. The High – Court bench was sanctioned and established at Aurangabad in 1982.

The MIDC (Maharashtra Industrial Development Corporation) Industrial Estate, Chikalthana is quite old. But MIDC Industrial Estate Walunj started developing from 1982 itself, where large production units such as Bajaj Auto Ltd. are working. Aurangabad is a District Head Quarter for Seven Districts of Marathwada Region, Viz. Jalana, Parbhani, Nanded, Osmanabad, Latur, Beed and Aurangabad.

The Aurangabad District is famous place historically and Culturally. The famous Ajantha and Ellora Caves, attracts the tourists from all over the world. Aurangabad District divided on

01/05/1981 for the formation of the new District – Jalana. Jalana, Ambad, Bhokardan, Jafrabad, these four Taluka places are included in the new district Jalna.

Before the division of Aurangabad in two Districts, Aurangabad had 12 (Twelve) Taluka places. In the year 1981, this division and declaration was effected by the Honourable Chief Minister, Shri. A.R. Antule. The Jalana district has potential for industrial growth because it has the backgroud of the city having better trading activities as compared to rest of Marathwada. Thus providing base for economic growth with the growth of secondary and service sectors.

3. Area of Aurangabad district

The total area of Aurangabad District is 1,00,938 sq. kms. And for administration purposes the District is divided into Aurangabad and Vijapur Sub Division. In Aurangabad subdivision Aurangabad, Paithan, Soigaon, Sillod is included and in Vijapur division Vijapur, Kannad, Gangapur, Khurdabad, these Taluka places are included. The area of Aurangabad after the division is better managable and planned efforts are possible.

4. Educational growth of Aurangabad city

The Aurangabad Municipal Corporation was ruled by the Administrator till 1988 and from May 1988, the corporation had for the first elected Corporation. In the light of educational progress, as Aurangabad is the Head Quarter for Seven Districts of Marathwada. The University was established in 1956 at Aurangabad as "Marathwada University". Today approximately Two lakh and Fifty thousand students are taking education through various affiliated colleges of this University.

For the purpose of technical Education J.M.E.S. (Jawaharlal Nehru Engg. College) and M.I.T. (Marathwada Institute of Technology) are working. There are 1480 Primary Schools in the district and 2,70,319 students are taking education. There are 221 Middle and High schools, where 93,000 students are taking education for higher education. There are 37 Colleges where 3,700 students are taking their education.

For Technical Education there are Six Non – Govt. Technical and Professional Institute, where 965 students are taking their education. The technical education is the need of the hour as there is a employment opportunities for well trained youths.

5. Population of Aurangabad district

Population of Aurangabad District is 22,09,052 comprising of 11,46,889 male and 10,62,163 Female population. Male and Female ratio is 1000:926. The Density of Population in 1981 was 157 per square km. This density of population is increase to 219 in 1991. The Literate males are 6,83,177 and Females Literate are 3,40,278. The density of population from the period of industrialisation is consistantly increasing. This is because of increasing pressure on urban areas.

Total Literate No. is 10,23,455 the percentage of Literacy is 46.33%. in almost districts in Marathwada, the female population is consistently decreasing. The cause of this decrease is dominated feeling perferring son to the daughter by the society.

Unless and until the Literacy rate in true sense is increased, the population growth can't be controlled. As per the Census of 1991, the population of Maharashtra is 7 Crores and 87 Lakhs, which is equal to Germany (United) and more than France, England and Italy. The population growth percentage of Maharashtra State is 23-36 %.

Marathwada Region is 31.01 % Amravati division is 20.74 %, Nasik division is 24.50%, Konkan division is 26.77%, Pune division is 24.86%, and Nagpur division is 21.46%.

The above percentage explain that the percentage growth in population of Marathwada Region is higher as compared to other division. The simple cause may be the higher rate of illiteracy. As per the census of 1991, Aurangabad ranks 7th city taking population as a factor in Maharashtra. The population of Aurangabad city is 5,91,638 comprising of 3,15,828 male and 2,76,140 female. The total population of Aurangabad city 3,73,109 are literate, 1,47,111 female are literate.

The percentage of literacy of Aurangabad city is 63% were 39.43% are female literate, in Marathwada Aurangabad, Nanded, Latur, Parbhani and Beed are 5 cities having population more than 1 lakh. As per 1981 Census, Aurangabad ranked 19th in population in the state and in 1991 census it is 14th. Thus the increase in population growth is high of Aurangabad district.

In 1982 Aurangabad is divided and Jalna was declared as a District and Osmanabad was divided and Latur was declared as new Districts. Thus, now in Marathwada there are seven districts. The entire region of Marathwada was Economically backward and

under developed. Central Govt. included the city of Aurangabad of planned development.

6. Irrigation Project

Jaikwadi is proving helpful for the agricultural uplift not only for the Aurangabad District, but also for the entire Marathwada Region, especially it has benefited the land of Parbhani and Nanded District also. In Aurangabad District there are 9 medium and 42 small Irrigation Projects. This has facilitated 30,724 Hectares of land from Marathwada Region.

7. The industrial growth of Aurangabad city

In Marathwada at 10 places Maharashtra Industrial Development Corporation established Industrial Estates. M.S.F.C. extended the long Term Loan for the Industrial Units. The industrial Dept. took efforts to established Co-operative Industrial Estates at 11 places in Marathwada Region. SIICOM also helped in planned development of Marathwada.

They helped in processing industrial units at Aurangabad, Paithan and Jalna. Marathwada Development Corporation is working on the line of planned development and Economics Equilibrium. During the initial stage of the progress of Industrialisation in Marathwada, 78 medium and large - scale industries were established, where in approximately Rs 11,084 crores of the capital was invested. This has generated the employment for 33,556 youths, 2271 small scale industries established, registered during the above period, these S.S.I. units generated employment opportunities for 11,335 youth in the Marathwada region.

The various corporations has played role in the industrial development of Aurangabad city. By establishment of industrial sector, development of infrastructure facilites, residential units the ground for the establishment of industries is well prepared. Maharashtra state finance corporation, M.I.D.C, and such a other Government and semi-government organisations tried for the upliftment of backward region such as Marathawada.

There are various efforts under taken by Government of Maharashtra for the industrial development of backward regions. Service sectors useful for industrialisation are also developing in and around Aurangabad city. This has also resulted in the

generation of employment opportunities. Thus urbanisation and industrialisation is important for economic growth of any region. Economic growth is also helpful for increase in the economic strength of the people living in that area.

As per the Govt. Industrial policy at Taluka places, Small Scale Industrial Estates is established M.I.D.C. established Industrial Estates at 21 places. M.S.F.C., SIICOM, M.I.D.C., M.D.C. are the various Corporations, which has played vital role in the development of Marathwada industrially, especially Aurangabad city, M.S.F.C. is engaged in extending Loan of Long Term nature for the Small Scale Projects in Marathwada.

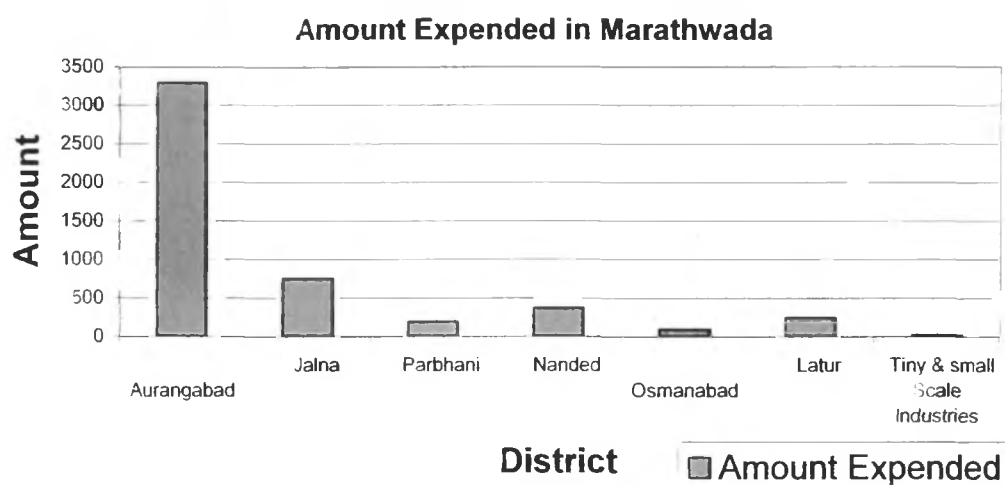
Maharashtra Industrial Development Corporation established two Industrial Estates during the above 10 year's period. One at Walunj near Aurangabad and second at Hingoli in Parbhani District. The M.I.D.C. has acquired over 3,765.40 Hectares of land in 12 areas. By the end of ten years of industrialisation work M.I.D.C. expended following amount for the various Districts in Marathwada. M.I.D.C. has a vital role to play in the development of backward region like Marathwada. This is a corporation that provides base for the infrastructure and such a development useful for industrial growth.

Table 7

Sr. No.	District	Amount Expended
1	Aurangabad	3294.44
2	Jalna	756.66
3	Parbhani	193.65
4	Nanded	371.44
5	Osmanabad	94.57
6	Latur	246.68
7	Tiny & small Scale Industries	26.75
	Total	Rs. 5,247.38

(Source : Marathwada – 2001. Marathwada at a Glance.)

Graph 7



The capital requirement of region depends upon the nature of the industry. Long term capital is generated through issue of shares, debentures bank loans. But this has its own limitations. For the new industries this source is very limited and can not generate required amount. Thus the corporations like Maharashtra State Finance Corporation provide long term loan for the industrial units. This role of M.S.F.C. and like organisations is helpful for new entrepreneur and also for better financial investments in the industrial units.

The development of the region depends upon financial help. The organisations like SIICOM has played a vital role in the assistance to the industries in backward region. There is lot of scope for development of any region provided it should have some potentiality of its own.

By the end of 30/3/1981 M.S.F.C extended financial help to 2,433 Projects upto the extent of Rs.30.07 Crores of which Rs.17.04 Crores were actually disbursed. This is increased by 31/03/1991 to the tune of Rs. 77.38 Crores to 4,617 project sand such an increase help as good as 324 %, which explian the role of M.S.F.C. in the Industrial Development of the City.

Following Data explains the Finance extended by M.S.F.C.
by the end of 31.03.1991.

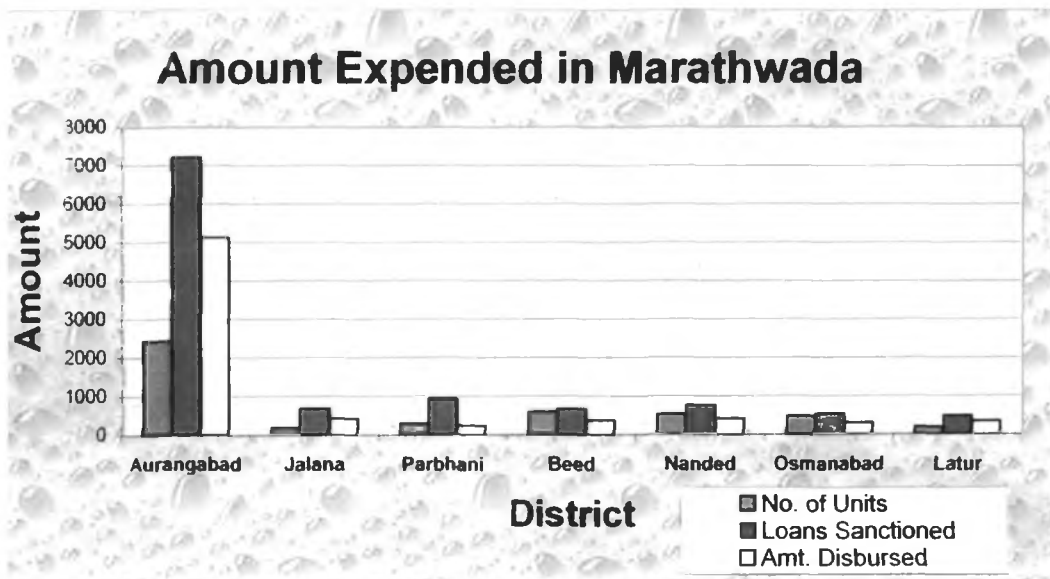
The Financial help is extended to various Industrial Units
in Marathwada:-

Table 8

District	No. of Units	Loans Sanctioned	Amt. Disbursed
Aurangabad	2422	7215.39	5128.51
Jalana	194	686.49	421.63
Parbhani	295	928.29	238.79
Beed	593	671	374.46
Nanded	527	751.65	416.88
Osmanabad	475	533.94	302.11
Latur	191	487.07	336.4
Total	4617	10744.48	7216.78

(Source : Marathwada – 2001.
Marathwada at a Glance)

Graph 8



All other factors required for development remaining uniform what is important is that the financial assistance to the new entrepreneur. SIICOM helped in the industrial development of Aurangabad city. Government of Maharashtra has introduced various schemes for the financial assistance to the growth of industries. This assistance is extended through the corporations like SIICOM.

Marathwada is a backward region but because of industrial estates at Aurangabad, Jalana, Latur, Parbhani and Nanded has shown the industrial progress. Government acquired land for industrial sheds. The establishment of industry requires long term capital which is being provided by SIICOM in the form of capital and other financial assistance.

SIICOM is the corporation working for the investment in small scale industries. The tiny sector industries are also assisted by SIICOM. The corporation during last 20 years provided finance for development of the region. SIICOM has worked for the uplift of under developed region in the state. For the purpose, SIICOM provide service for development and financial help. By the end of 30.6.1991 SIICOM in Marathwada extended help to 232 Units worth Rs. 81.27 Crores were actually disbursed. The data is as follows :

CHART SHOWING CONTRIBUTION OF SIICOM

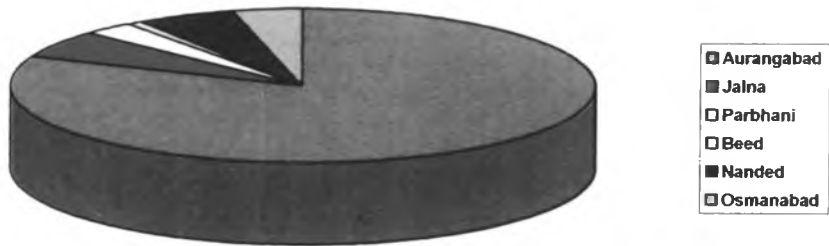
Table 9

District	No. of Units	Loans Sanctioned	Amt. Disbursed
Aurangabad	188	9152.09	6616.51
Jalna	14	694	625
Parbhani	6	98.68	87.25
Beed	2	3.67	0.24
Nanded	13	687.79	577.5
Osmanabad	9	294.83	220.85
Total	232	10931.06	8127.35

(Source : SIICOM Publication and Marathwada 2001 at a Glance)

Graph 9

Loans Sanctioned & Amt. Disbursed



By the end of 30.06.1991 SIICOM provided incentives to 1054 industries to settle in Marathwada. Act has generated an investment of Rs. 2,247 Crores of which, 844 units started production and generated employment for 71,057 workers, M.S.S.I.D.C. (Maharashtra State Small Scale Industries Development Corporation) supply raw materials and providing marketing facility.

They have opened an Office at all District Headquarters taking into consideration their increased scope and area of operation.

Maharashtra Industries Development Centre is established at Aurangabad in 1988. The Entrepreneurs can be made on line of this principle, the center has worked hardly. The Center has undertaken programs like Entrepreneurs Development Program, Rural Development Project, Self-Employment Projects. The Center has also undertaken Projects at Aurangabad. Similar to that undertaken at Bhandup to boost the standard of Living of the people.

However, one aspect should be noted that the development, so far, has not been in position to attract the outside Entrepreneurs in Marathwada.

In this way in this chapter the attempt is made to study the growth of Aurangabad city. In the next chapter the industrial growth of Aurangabad city is analysed in detailed. And the effect of industrial growth on rural land scape is studied.

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