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# A study of Industrial Development and Location Gap of Industries

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#### **Abstract**

Industrial Development is very important to grow the economy. Industrial development is wide concept. It includes many aspects. By taking the case of Chandgad Taluka the researcher proposes to make an in depth inquiry to understand the existing status of location in industrialization and the progress so far made. The researcher also proposes to undertake analysis of the location and its importance for industrialization in the above taluka.

Key Words- Industrial Development, Infrastructure, Location, Gaps, Micro level Study

#### 1. Introduction

The process of development is multifaceted. Its economic, social, cultural and educational aspects are required to be taken in to account. The economic development provides the basic foundation of further social, cultural and educational development. This is true both at macro and micro level development. The studies so far undertaken put more emphasis on macro level. Very few attempt have been made to undertake the study at micro level development. The present study measure Location gaps of Industrial Development at micro level, i.e. at taluka level. For this purpose the single taluka namely Chandgad Taluka is taken for the study.

Industrial Development is very important to grow the economy. Industrial development is wide concept. It includes many aspects. By taking the case of Chandgad Taluka the researcher proposes to make an in depth inquiry to understand the existing status of location in industrialization and the progress so far made. The researcher also proposes to undertake analysis of the location and its importance for industrialization in the above taluka.

This being a micro level study is expected to reveal valuable facts about location and industrial development in the Chandgad taluka. These facts are certainly to become valuable inputs for formulating the development plan of the taluka.

# 2. Review of Literature

Naik R N (2009) in his research entitled `Industrial Development Pace, Pattern and Gaps- A Case Study of Chandgad Taluka` studied the Micro, Small and Medium industries and found how the Infrastructure impacts on the industrial development in taluka. It was a micro level study and covered

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only Chandgad taluka. Researcher found that the Chandgad taluka has no proper infrastructure. There are less availability of financial infrastructure, water availability, communication facilities. Also researcher suggested that these problems must be minimized otherwise industrial development will not get its pace.

#### 3. Statement of the Problem

A study of Industrial Development and Location Gap of Industries is basically a case study in which location gaps in industrial development is studied.

## 4. Objectives of the Study

Researcher has the following objectives for study.

- 1. To know the location of industries in Chandgad taluka and its gaps.
- 2. To focus on the industrial development in Chandgad taluka.

## **5.**Scope of the study

The study is conducted to know the location gaps in the Industrial development of Chandgad taluka (Chandgad taluka is located in Kolhapur district of Maharashtra state). The study only focuses on the location gaps with considering the selected industries in the taluka. To study the location gaps researcher covered Total 110 industries in the taluka. To make micro study the industries are classified in five circles of chandgad taluka. These circles are Chandgad (12), Date(17) Here(10), Turkewadi(60), and Kowad(11)

#### 6.Sampling technique and Sample Design

Convenient sampling method is used to study the location gaps for industrial development. To make more convenient the study, industries are classified in to Micro, Small, Medium and Large industries according to the criteria laid by the MSME Government of India. It is summarized in the below table.

#### **Samples**

Industry	Total	Micro	Small	Medium	Large
Cashew	16	6	8	2	0
dairies	3	0	1	2	0
Oil and Rice	15	8	7	0	0
Poultry	23	22	1	0	0
Sugar	2	0	0	0	2
Textile	7	2	5	0	0
Engineering	28	24	4	0	0
Foundry and Metal	6	0	0	4	2
Other	10	0	5	5	0
Total	110	62	31	13	4
%In Total Industries	100	56.36	28.18	11.81	3.64

Further these industries are classified in five circles of chandgad taluka. Namely Chandgad (12), Date(17) Here(10), Turkewadi(60), and Kowad(11)

#### 7. Sources of data

Both the primary and secondary data is used for the study. Government reports are used as source of secondary data. Where as the primary data is collected by the researcher by conducting interview, personal visit and own observations. Separate questionnaire is used to collect the data from respondents. Personal observation, site visit and discussion with the respondents helps researcher to

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know the location pattern of industries in the taluka. Present study deals with the location gaps in industrial development in the study area.

# 8.Data Analysis and Interpretation 8.1 Location Gap

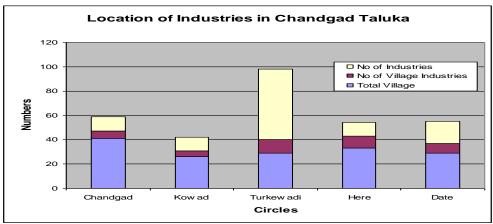
Under the title of location gap, researcher has studied the industries in different location of the taluka. There are five revenue circles in the taluka, Chandgad, Kowad, Turkewadi, Here and Date. All these circles are divided in to their villages, number of villages having industries and number of industries are established. It helps to know the gap in respect of industrial development in the circles, it reflects the circle, which has more industries and which has less industries. It becomes easy to understand the reasons behind such gap. The summery of the circle, their villages and the industries are stated in table 8.1.

Table: 8.1 Location of Industries in Chandgad taluka

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		No of	
	Total	Village	No of
Circle	Village	Industries	Industries
1	2	3	4
Chandgad	41	6	12
%	25.95	15.00	10.91
Kowad	26	5	11
%	16.46	12.50	10.00
Turkewadi	29	11	58
%	18.35	27.50	52.73
Here	33	10	11
%	20.89	25.00	10.00
Date	29	8	18
%	18.35	20.00	16.36
Total	158	40	110
%	100	100	100

Source: Compilation of field data

Chart 8.1



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The data in the table 8.1 shows Total number of villages in each circle, number of villages having industries in each circle. Chandgad circle consist of (41) 18.35% villages, Kowad (29) 16.46%, Turkewadi (29) 18.35%, Here(33) 20.89% and Date (29) 18.35% villages respectively. Among all these circles only 40 villages have some industries. Circle wise classification shows Turkewadi circle has more number of villages (11)27.50% followed by Here (10) 25%, Date (8) 20%, Chandgad (6) 15% and Kowad (5) 12.50% villages respectively. It is found that Turkewadi circle has highest number of industries 52.73% followed by Date (18) 16.36%, Chandgad (12) 10.91% and Kowad(11) and Here (11) 10.00% industries respectively.

The circle wise industrial classification shows that the Turkewadi circle has large number of industries (58) 52.73% as compared to other circles in the taluka. It is also observed that most of Engineering and Foundry and Metal industries are located in this circle particularly in Shinoli village. This circle is choosing by these industries and entrepreneurs because of having close market and better communication facilities. In addition to this the circle is located much close to the Belgaum city at 20 km. Apart from this Vengurla and Belgaum highway passes there from. These are the physical motivation which motivated to industrialize the circle.

Turkewadi circle is having potential agriculture produce such as sweet potato, potato, groundnut. This shows that there is enough potential for establishment of agro-processing industries like potato chips, oil mills. There is also enough potential for establishment of modern industries on processing of sweet potato to produce sugar, spirit, powder etc. The required skilled labour force cab be made available easily in this area as it is close to Belgaum City.

Date circle contributes 18.35% (29) villages out of which only 8 villages (20.00%) having 16.36% (18) industries. The circle has large number of Poultries followed by oil and rice mills and other industries. All the poultries in the circle are broiler and working on commission basis. The two main companies, Saguna and Quality are providing chicks, feed and required medicines to these poultries. The main reason of locating more such kind of industries in this circle seems because the circle id located at central place of the taluka and well connected with roads to Goa, Belgaum and Kolhapur. More over to this it is found that the people in the circle have good skills required for handling these industries and proper awareness among the entrepreneurs.

Chandgad circle has 41 (25.95%) villages, out of which 5 (12.50%) villages having 10% (11) industries. The most of the industries located in this circle are cashew processing industries followed by Poultry and Oil and Rice. The circle has covered by big forest and has large number of land under cashew crops which results in to establishment of such kind of industries in the circle. It is found that the cashew processing industries in this circle are more or less traditional. There is large scope for establishment of modern cashew processing units with latest technology that can improve the quality of the output. The existing processing units can be converted easily into modern units without disturbance to any element.

Kowad circle has 16.46% (26) villages, out of which 12.50% (5) villages having 10% (11) industries. The circle has mostly having of oil and rice mills followed by poultries and other which includes stone crushers industries.

This circle is full of rice production that shows more scope for establishment of rice mills. However the circle has no baron land that limits the scope for establishment of any big new industry. Of course

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the cottage industries such as poultry can be more developed in this circle in order to gain the location benefit as well as the skilled labour is concerned.

Here circle has 20.89% (33) villages out of which 25% (8) villages having 16.36% (8) industries. The circle has consist of poultry and oil and rice mills followed by one sugar industry. The establishment of poultries in this circle shows the awareness about the poultry industries. As the land is full potential for production of groundnut, sweetpotato, cashew and sugarcane there is also good scope for establishment of more oil mills and cashew processing industries.

#### 9. Findings and Conclusions

From the above discussion it is found that diverse kind of industries 52.73% (58) are located in Turkewadi circle followed by Date (18) 16.36%, Chandgad (12) 10.91%, Kowad (11) 10% and Here with (11) 10% industries respectively. It covers Engineering industries followed by, Foundry and Metal, Oil and Rice mills. It is so because of having good communication and infrastructure facilities. The resources are developed sufficiently in this circle. Date circle has mostly of poultry industries. Chandgad circle has large number of cashew industries, Kowad circle has oil and rice mills and Here circle has mostly of poultry and oil industries. It is clear that, the industries development in Chandgad taluka is resource based. Each circle has special kind of Industries. More importance is given to the availability of local resources. Industries are developed in that place where they get proper resources.

Considering overall industrial establishment in all the circles we have found certain gaps that can be bridged with either establishment new industries or by improving in the existing industries. Above all, there is wide gap of managerial performance. All the industries in the area are managed with traditional approach by the owners of the industries. This has shown adverse effect on the performance of these industries. Provided the professional managerial approach is used the performance of all the industries in general and the cooperative in particular can be improved to the greater extent.

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