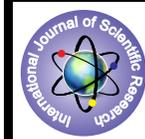


Growth of Small Scale Industrial Units in Bellary District of Karnataka State



Geography

KEYWORDS : Industries, small scale, raw materials, production, problems, developments

Dr S. S. Motebennur

Associate Professor, Dept. of Geography, Karnataka Science College Dharwad -580001 Karnataka State

Dr. S. S. Talavar

Teaching Assistant, Dept. of Geography, Karnataka Science College Dharwad -580001, Karnataka State

Dr. M. L. Uppar

Teaching Assistant, Dept. of Geography, Karnataka Science College Dharwad -580001, Karnataka State

ABSTRACT

The agricultural situation in our country's vicious circle in which population density, fragmentation of land, efficiency of labour, lack of capital, low productivity and countless these features, virtually rain force on another. The vicious circle cannot be broken by agriculture reform alone. It can be broken by due ex-machine industrialization. In Karnataka state, the government has declared 11 districts as industrially backward districts. Since the Bellary district is backward in all sense and experiencing very hot climatic conditions in the state and is rich in human resources. The district has agro-based industries and also mineral-based industries. There is a need for the planning and eco-friendly development by using all possible modern means. The industrial and commercial development in Bellary district appears to be fairly good. Thus the present study is confined only to manufacturing sector, the views expressed here purely based on observations, analysis and findings.

INTRODUCTION

Industrial geography has been a major branch of economic geography, since the beginning of the country. It essentially deals with geographical analysis of distribution of all resources, human activities and its culture with respect to spatial features of a given region, temporal aspects of economic and commercial activities. Industrial geography also refers to the spatial distribution and regional characteristics of industries and its interface with industrial growth.

Due to Industrial Revolution unprecedented changes have occurred in almost all human activities. Such changes are more prominent in an urbanization and migration characteristics. The spatial changes are often promoted by the availability of infrastructural facilities, technology and capital. Bellary district is endowed with numerous natural resources viz. agriculture, minerals, water and human and other resources. The study area is one of the fastest districts in the industrial growth of Karnataka. However, the growth of industries seems to be meeting the needs of the region, under the pressure of socio-political factors without developmental plan.

The economy of the district largely depends on agriculture, mineral resources, manufacturing and tourism activities. The district total population enumerated in 2001 was 2025242 with the state average of 7.24% which forms the work force, and the remaining comes under the category of non-workers. Approximately 3% of the total population is engaged in industrial activities.

During 2003-04, Bellary district has 16620 small scale industries, 109 medium and large scale units and 13 mega industries to its credit with an investment of Rs. 51756.34 lakh, 201561.00 lakh and 31273.00 lakh Rs respectively. Industrial sector is one of the important sectors of the economy, which can generate substantial work avenues and revenues to the district thereby raise the standard of living of the people.

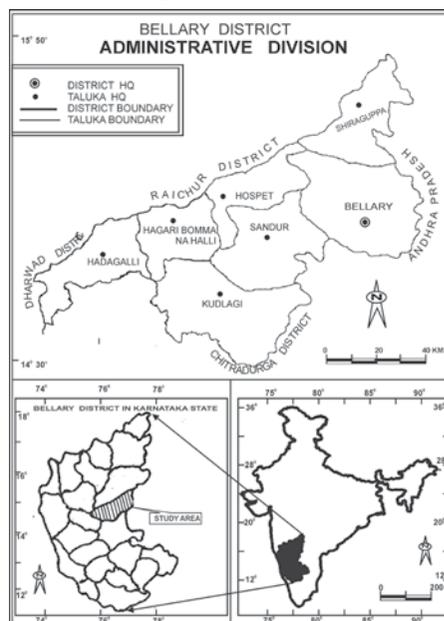
There is a need for the planning and eco-friendly development by using all possible modern means. The industrial and commercial development in Bellary district appears to be fairly good. Thus the present study is confined only to manufacturing sector, the views expressed here purely based on observations, analysis and findings. The study does not comprise such activities which are service and interactive activities like tourism, mining etc.

STUDY AREA: The present study intends to discuss the resource base and pattern of development of industries in Bellary district, which lies in a semi- arid region of Karnataka. The study area forms an interior part of the semi-arid region of peninsular

India. It is confined within 14°, 30' N to 15°, 50' N latitudes and 75°, 40' E to 77°, 41' E longitudes. The district covers an area of 8420 sq Km. It is situated in the central eastern part of Karnataka state, from north to south and east to west it is spread over a distance of 186.7 Km and 161 Km respectively. The altitude of the district is 461 meters from the Mean Sea Level. Administratively, the district is divided into 7 taluks, 2 revenue subdivisions, 30 hobalies, 189 village Panchayats and 517 villages (Fig). The total population of the district is 2025242, out of this 1028481 male and 996761 is the female population, while 65.13% of rural population and 34.86% of urban population. The literacy rate in Bellary district is 58.04%, while sex ratio is 969 per 1000 males. The chief soil types found in the Bellary district can be grouped under rich black soils and red soils. The river Tungabhadra and its tributaries i.e. Hagari and Chikk Hagari drain in this district.

OBJECTIVES:

- 1) To identify number of small scale industries in Bellary district.
- 2) To know the taluka wise growth of small scale industries in Bellary district.
- 3) To know the problems of industries in Bellary district.



DATA BASE AND METHODOLOGY:

The present study aims at the geographical analysis of industrialization in the Bellary district in the post liberation. The overall data base for study is generated through the collection of secondary information and primary survey of a few small scale units. Most of the secondary data have been obtained from various government offices, such as district industrial centre (DIC). The information thus collected from various sources and general observations has helped in identifying the relative position of the district in the in the field of industrialization.

FACTORS FOR INDUSTRIAL LOCALIZATION:

All the factors affecting the location and growth of industries can be classified into physical, economical, political, technical, social and historical but the degree or the influence of these factors differ from unit to unit place to place and also from time to time. However, some of the important factors influencing the location of industries in Bellary district are as follows,

- 1) Climate
- 2) Raw materials
- 3) Fuel and power
- 4) Labour (man power)
- 5) Capital
- 6) Machinery
- 7) Transportation and communication
- 8) Market
- 9) Management
- 10) Government policy (support)

Manufacturing is localized as a result of the complex of many factors. In analyzing the various reasons, why manufacturing is located at a particular place or why it has remained at that location a combination of a number of favorable factors is usually found. The problem of establishing an industry resolves itself in finding a site with a sufficient number at favorable factors to counter balance the disadvantageous condition. For the successful operation role any manufacturing endeavor, the above mentioned components play vital considered.

GROWTH OF SMALL SCALE INDUSTRIES IN BELLARY DISTRICT:

The growth of small scale industries in the district, the total small scale industrial units was 1195 in 1989-90, and then onwards the registration of small scale industries was started increasing. Since then, the trend of registered units is positive till 2012. At the end of the year 2012 March the Bellary district has 16620 small scale industrial units in operation.

There are 17 types of small scale industries, functioning in various part of district. The category wise small scale industries are given in the table- 2.

CATEGORY WISE SMALL SCALE INDUSTRIES IN BELLARY DISTRICT (AS ON 31-MARCH 2012) Table 1

Sl No	Name of Industries/ Products	No of Units	Investments in Lakhs Rs	Persons Employed
1	Food and beverage	1973	12078.23	11405
2	Textiles	2920	8198.74	15758
3	wood	1730	1672.74	7329
4	Printing and Stationary	276	899.93	1156
5	Lather and Lather Product	653	393.11	3127
6	Rubber and Plastic	117	893.43	3025
7	Glass and Chemicals	312	769.75	1635
8	Chemicals	299	4120.29	2610
9	Metal Products	282	1628.88	1519
10	General Engineering works	1350	4511.7	8301

11	Electricals and Electronics	407	1338.68	1974
12	Transportations	161	256.41	1124
13	Repairs and Servicing	2881	2614.4	7818
14	Ferros and Non-Ferros	73	415.74	759
15	Other Services	439	5608.32	2565
16	Miscellaneous	1738	1946.2	6658
17	Job Workers	1009	4409.77	5018
	Total	16620	51756.34	81781

SOURCE: DISTRICT INDUSTRIAL CENTRE (DIC)

The above table 1 explains, the highest contribution is of Textiles industry it accounts 2920 units, with the capital investment of Rs 8198.74 lakhs, and has provided employment opportunity for about 15758 persons. It is followed by food and beverage, wood, repair and servicing industries etc. The lowest industrial units are found in Rubber and Plastic. In Bellary district, textiles industrial units are leading in employment generation.

TALUKWISE GROWTH OF SMALL SCALE INDUSTRIES:

scale industries have been distributed throughout the district, and 16620 industrial units of all categories are functioning in Bellary district. Today with maximum infrastructural facilities and various incentives and concession offered by both state and central government, small scale industrial units have been established in a large number, throughout the district.

TALUKWISE GROWTH OF SMALL SCALE INDUSTRIAL UNITS IN BELLARY DISTRICT

(Numbers indicate in the bracket percentage to the District total) Table 2

Sl No	Name of Taluks	1992-93	2002-03	2011-12
1	Bellary	758 (34.00%)	2994 (32.31%)	4454 (26.79%)
2	Sandur	187 (8.38%)	882 (9.51%)	1993 (11.99%)
3	Siraguppa	195 (8.74%)	936 (10.10%)	1895 (11.40%)
4	Hospet	585 (26.24%)	2253 (24.31%)	3612 (21.73%)
5	H.B.Halli	222 (9.95%)	893 (9.63%)	2043 (12.29%)
6	Kudalagi	171 (7.67%)	691 (7.45%)	1385 (8.33%)
7	Hadagali	111 (4.97%)	617 (6.65%)	1238 (7.44%)
	District Total	2229 (99.96%)	9266 (99.97%)	16620 (99.96%)

SOURCE: DISTRICT INDUSTRIAL CENTRE (DIC)

The above table reveals that, taluk-wise total number of industries in the district. In 2011-12, it is almost seven to eight times than that of 1992-93. Bellary taluk has retained its position with 4454 (26.79), followed by Hospet taluk 3612(21.73). H.B.Halli 2043(12.29), Sandur 1993(11.99), and Siraguppa 1895(11.40) units. The Hadagali taluk have very less number of small scale industrial units, i.e.1238 (7.44).

This is the tremendous growth of small scale sector, during the last 20 years. The growth is witnessed only by two taluks viz. Bellary and Hospet whereas, remaining taluks show medium to low growth that is due to,

- 1) The major portion of the district is industrially backward except Bellary and Hospet taluks.
- 2) The entrepreneurship is lacking in the district. In spite of extension activities, training and motivation program by

concerned department, especially in blocks, other than Bellary and Hospet taluks.

- 3) Lack of infrastructural facilities.
- 4) Being away from the development areas.
- 5) Inadequate, irregular supply of power and low voltage, delay in energy supply to pump sets, are major constraints affecting minor irrigation investments.
- 6) In general, the technical skilled man power availability is less in the district
- 7) Ground water available in the district is not suitable for portable purpose.
- 8) Storage and marketing support offered by APMC for agriculture produce are not adequate to attract the farmers to keep the produce in god 'own at the of time of distress sale.
- 9) Lack of enthusiasm in local leader and improper implementation of government policies.

Now, the government of Karnataka has planned to establish industrial estates at least one in each taluks of the district.

PROBLEMS OF SMALL SCALE INDUSTRIES:

1. In view of the rising tempo of industrial activity, the shortage of right type of raw materials at standard prices has affected the entire industrial sector in the district. The irregular supply of certain raw materials has already affected the production of several small and big industrial units.

Though the district endowed with resources, but it is not sufficient for the industries. The raw materials required for the industries are like Iron and steel, Aluminum, Rubber, Plastic products, non-ferrous metals etc, are procured from outside the district or state. Most of the units face not only shortage, but also the irregular supply of raw materials, which are brought from outside the state. This has led the units to be in low capacity utilization.

2. At present power problems are minimized, but voltage fluctuations, irregular supply, long hours for repairs, breakdowns etc, still persists in the district, which all lead to under utilization of installed capacity and raise in the cost of production.

The units using firewood, coal, oil etc. have the problems of poor quality and low efficiency.

3. Due to lack of funds to purchase modern machineries and tools, the entire premise are forced to use old and outdated machineries which affects both the quality and quantity of their production.

Many units such as food products, wood based industries, etc. have low level of technology, due to which they suffer from sub-standard quality or products.

4. Though the Government of Karnataka has developed industrial estate areas to house the units there in, there are too many administrative formalities, which entrepreneur has to followed and they become problems for Karnataka State Industrial Area Development Board (KSIADB) looks after getting the shed or plot, he has to visit so many offices to have the connection of light, water and for no objection certificate, approaches to road transport facilities etc.

Industries located beyond the industrial complexes, are facing problems like transportation cost, quality of roads not up to the mark and electricity transmission problem scarcity of power, all these problems naturally affect production of industrial goods particularly small scale industrial products.

5. Lack of skilled labor and industrial expertise: There are few workers in Bellary districts with industrial and managerial skills. Most of the workers and managers in most of the unit are from outside of the district. The peculiar problem is labor absenteeism. The absenteeism from work is a frequent problem, is labor absenteeism. The absenteeism from work is a frequent problem faced by large number of units, which disputes the production, non-availability of skilled workers in leather, plastics,

pharmaceuticals, machine building, electronic industries and low level salaries have aggregated the existing problems in the district

6. In the district the availability of capital is a problem. It is available only at very high rate of interest; particularly on working capital though, there are incentives and capital subsidy, but all these have remained much on the paper or there disbursement is made often at considerable lapse of time. So the entrepreneurs do not get the benefits of such facilities.

Small scale industries do not have sufficient funds of their own for investment. They cannot buy and store good quality raw materials or stock their finished products, pack their goods, attractively has no sales. Because only to a shortage of fund. There is enough string on the working capital. Delayed recoveries seasonal nature of business for many units like food processing, bricks, granite, etc. low volume of sales, low value etc. are the other problems concerned with capital.

7. The successful industry needs a good market for their products, the productions quality depends on the market demand in this context in Bellary district, and market demand is not very large for small-scale industries. They have to sell outside the district area, but in medium and small-scale industries, the market demand is satisfactory in order to set maximum demand from outside the district and the quality should be maintained.

Small producers are forced to sell their products to middlemen, generally at lower prices and because of this industrialist, producers suffer both ways in the sense, higher prices for raw materials and lower prices for finished products.

The absence of well developed sales organizations as compared to large units, absence of standardization in products, inability to meet the requirements of government and other bulk purchasers and largest need to dispose their products immediately at available price, are the problems of the small producers in Bellary district. Another important problem of some entrepreneurs is the insufficient knowledge about the market.

8. Non-availability and poor reliability of communication facilities have affected the working of many units in the district. As telephone, telex and fax facilities are not existing in the industrial estate to establish the business link with many large and medium scale, even small scale units hand have established a small office nearby town or cities which is additional expenditure.

9. Many of the people engaged in small-scale industries or with little / lack of education or familiar with modern production technique, management and marketing. Some of the old units do not show any initiative for introducing to attract business and usually stick to traditional pattern. So many units of small scale are at verge of closing.

Specific problems faced by a traditional craftsman are as follows:

- i) Inputs of traditional industries have increased in costs beyond the capacity of the artisans. So they cannot expect fair returns out of their product.
- ii) The economic conditions of entrepreneurs force them to sell their goods at a much lower price/ chief rate. Middle men procure the finished goods and sell them at much higher rate/ price and get the profits more at the cost of artisans.

SUGGESTION FOR PROMOTING INDUSTRIAL DEVELOPMENT IN BELLARY DISTRICT:

The following plans are suggested for promoting industrial development in Bellary district.

1. Entrepreneurial development program.

There is lack of entrepreneurship among the people of the district. It is therefore suggested that, entrepreneurial development programs may be conducted in all the taluks head quar-

ters of the district to promote entrepreneurship among the people at regular intervals.

2. Industrial motivation campaigns:

Industrial motivation campaigns may be organized every year at different places in the district. The developmental agencies like SISL, DIC, KISFC, NSIC and Commercial Banks may be involved in conducting such campaigns to educate the people regarding services and facilities offered by these organizations for starting industries in the district.

3. The projects have cleared under the National highway scheme in the Bellary to Hyderabad, Ankola to Gutti, Bidar to Shrirangapattan via. Bellary, yet to be commenced delaying of these national highways in the district.

4. The existing broad gauge line connects Bellary to Guntakal, Bellary to Hubli via. Hospet, Bellary to Bangalore via. Chitradurga, and Bellary to Chennai / Hyderabad via. Guntakal. The Guntakal junction is just 52 Kms from Bellary which connects southern railway and northern railway.

5. At present there are five industrial estates in Bellary district. There are no industrial estates in some taluks of the district from here there is need for setting up of industrial states in those places for creating employment opportunities for local people.

6. In order to accelerate the growth of industries in the district, a growth centers may be setup in Bellary immediately.

7. There is an airport at Bellary, but there is no one flight landing at Bellary at present, the good potential in tapping this facility in Bellary district. One of the entrepreneurs has applied for private aircraft facility in Bellary, which will be launched very shortly.

CONCLUSION:

Bellary district has/had a number of useful and flourishing small scale and village industries, carried on with good local craftsmanship. These industries provide employment to a considerable number of people. Many of these industries declined consequent on the disintegration of the old type of economic life in villages. The transformation of some small-scale enterprises from the traditional to the modern type in the district appears to have commenced during the period of the Second World War. The existing small scale enterprises include those that employ modern techniques and also those where traditional methods are used. While, large-medium units are located in less number in the district, they are located only in and surrounding area of Bellary and Hospet cities. Their main problems are lack of credit facilities, outmoded method and techniques, unsatisfactory arrangements for supply of raw materials, difficulties of marketing etc. But also both state and central governments have taken several steps to render help to solve the problems and develop the industries in the district. However, for the survival of Bellary district and its people, the industrial sector will have to grow and provide resources to the district and employment opportunities for the better living of its people. The government and public have to adopt helpful and friendly attitudes towards prospective industrial entrepreneurs. There is vast scope for industrial activities in Bellary district.

REFERENCE

- 1) U.N. Committee for industrial development (1969) E.C.O.S.O.E/3781, report of the third section, pp13-31. | 2). Alfred Wright (1938) Manufacturing districts of United States, Economic Geography, vol.14, and pp.195-200. | 3). Bari. S.A (1965) Economic Geography, New Literature Publishing Company Bombay pp.323-328. | 4). District Gazetteer of Bellary District, Government of Karnataka. | 5). District Census Hand Book of Bellary, Government of Karnataka. | 6). Joshi Hemalatha (1990) Industrial Geography of India - A case study of Fertilizer Industry, Rawat Publication, Jaipur, pp1-17. | 7). Leong and Morgan (1982) Human and Economic Geography, Oxford University Press, pp 510 | 8). Mandal R.B. (1971) Manufacturing Regions of North Bihar, National Geographical Journal of India, vol. XVII, pp.50-62. | 9). Sathy Murthy and others (1987) Infrastructure Facilities and Human Factors affecting the Industrial Development in Backward areas. A study of Tamil Nadu, Industrial India.vol.38, pp.9-12. | 10). Stamp. A.S. (1973) Industries and Environmental Pollution in India, Industrial Situation in India.vol.2. |