

SOCIO-ECONOMIC CONDITIONS OF ENTREPRENEURS IN KURNOOL DISTRICT – WITH SPECIAL REFERENCE TO BURN-LIME INDUSTRY

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Abstract

Small industrial sector plays a key role in the industrialization of developing countries. This is because of the fact that small industries provide immediate large-scale employment and have a comparatively higher labour-capital ratio, need a shorter gestation period and relatively smaller markets to be economic; need lower investments, offer a method of ensuring a more equitable distribution of national income and facilitate an effective mobilization of resources of capital and skill which might otherwise remain unutilized. Small business enterprises stimulate the growth of industrial entrepreneurship and promote a more diffused pattern of ownership and location. Small industries have also been viewed as an effective way of fostering the private sector's contribution to both the growth and equity objectives of development. An entrepreneur in economic sense is a leader, almost like the director of the film, possessing the ability to recognize opportunities for successful introduction of new commodities, new techniques and new resources of supply to assemble the necessity machinery, equipment and labour force and to manage and organize things into a running concern. The present paper highlights the socio-economic conditions of Entrepreneurs in Kurnool district of Andhra Pradesh.

Key Words: *Small Industry, Entrepreneur, Burn-Lime Industry.*

Introduction

Small industrial sector plays a key role in the industrialization of developing countries. This is because of the fact that small industries provide immediate large-scale employment and have a comparatively higher labour-capital ratio, need a shorter gestation period and relatively smaller markets to be economic; need lower investments, offer a method of ensuring a more equitable distribution of national income and facilitate an effective mobilization of resources of capital and skill which might otherwise remain unutilized. Small business enterprises stimulate the growth of industrial entrepreneurship and promote a more diffused pattern of ownership and location. Small industries have also been viewed as an effective way of fostering the private sector's contribution to both the growth and equity objectives of development.

In a labour-abundant and capital scarce country like India, small industries have come to occupy a significant position in the planned industrialization of the economy. They possess locational flexibility which serves as an effective instrument in reducing regional imbalance of development. They also serve as an instrument in achieving a wide dispersal of industries and potential source for earning foreign exchange. Further, small industries serve as a means of indigenous entrepreneurship and savings by lying dormant, particularly in semi-urban and rural areas.

An entrepreneur in economic sense is a leader, almost like the director of the film, possessing the ability to recognise opportunities for successful introduction of new commodities, new techniques and new resources of supply to assemble the necessity machinery, equipment and labour force and to manage and organise things into a running concern. Prof. Fritz Redlich finds that the role of entrepreneur being three sided viz., the capitalist, the manager, and the entrepreneur. Truly, the entrepreneur supplies capital and other resources, supervises and coordinates product resources and plans, innovates and takes ultimate decision. Though the venture his establishing and running concern is a risky especially financially with his property kept in it his spirit of

enterprising basically makes and keeps him active. Today he is attracted and motivated by governmental encouragement in the form of assistance, incentives and pioneering activities.

Objectives of the Study

1. To study the importance of small Industries.
2. To study the socio-economic conditions of the selected respondents.
3. To draw the conclusions.

Methodology

The data collected from both in primary and secondary sources. The primary data have been collected through structure interview schedule. The secondary data have been collected from records of the District Industries Centre (DIC), planning and statistics department, Kurnool. The information from Kurnool district gazettor, reports of mining and geology department, manazines books, journals, dailies, published and unpublished theses, related web sites and various university libraries.

Collection of Data

Based on the objectives of the study, the questionnaire has been designed to collect information and data from the burnt lime units of the Kurnool district, personal discussions were made with the entrepreneurs and officials of the Government and its agencies to collect full information.

Caste

It is generally believed that the facilities and incentives provided by Government and developmental agencies are beneficial to entrepreneurs of upper caste because of their education and economic strength. Therefore, the upper caste population dominates in the industrial activity. A study of entrepreneur of Punjab, Utter Pradesh and Maharastra, conforms that “there too caste still matters for once entry into entrepreneurship”. The particulars of entrepreneurs caste wise in Kurnool district is presented in the table 1.

Table 1, Particulars of Entrepreneurs According to Caste-Wise

S.No	Caste	No. of Respondents	Percentage to total
1	Forward Caste	48	40.00
2	Backward Caste	59	49.17
3	Scheduled Caste	09	07.50
4	Scheduled Tribe	04	03.33
	Total	120	100.00

Source: Field study

Table 1 show that community wise distribution of sample respondents in Kurnool district. In the present study, nearly 50 per cent of the sample respondents are belongs to backward communities, followed by forward community entrepreneurs (40 %), 7.5 per cent of the sample respondents are belongs to scheduled caste, remaining 3.33 per cent are belongs to scheduled tribe. Altogether, majority of the entrepreneur coming from backward community background. This indicates that the reservation people also emerge and actively participate in all dimensions.

Education Levels of Entrepreneurs

To a large extent, economic development depends on the education of the people. The more educated entrepreneurs, in industrial field, the more will be the efficiency and productivity. This is because education gives a person a sense of responsibility, resourcefulness initiation, comprehension, initiative thinking, a spirit of enterprising and making him dynamic. Educated persons are more responsive to adopt new methods and changes. His outlook is progressive; unlike him an uneducated person is conservative and superstitious in adopting changes. Alertness, progressive thinking and dynamism which so with education are necessary for rapid economic

development. Hence, educated entrepreneurship is desirable for the healthy progress of the industrial economy of the country. His education enables him to learn about new knowledge and skills about the use of new machinery. A dynamic entrepreneur taps all resources, develops alternative production techniques and makes production spirit based on existing market conditions. His education keeps him aware of various facilities and incentives offered by the Government market and other agencies and shows interest to adopt modern technology.

Table 2, Education Level of Select Entrepreneurs in Select District

S.No	Education	No. of Respondents	Percentage to total
1	upto X class	20	16.67
2	Intermediate	29	24.17
3	Graduate	36	30.00
4	Post-graduate	25	20.83
5	Technical	10	08.33
	Total	120	100.00

Source: Field study .

Indian society is in transition. The factor of rapid urbanisation, industrialisation and expansion of creams of communication are bringing it into the fold of national and even international stream of life. The intellectuals have considered education as an important agent of social mobility techno-economic growth and occupational mobility as well.

Educational background of the select respondents is depicted in table 2. It is noticed from the table that majority of respondents in the study are the entrepreneur with degree background (30 %) followed by intermediate (24.17 %), post-graduation (20.83%) high school (16.67%) and technical background entrepreneur are 8.33 per cent only.

Entrepreneurs Age

The growth and development of industry is linked with the age of the entrepreneurs to some extent. Entrepreneurs who are young being energetic are usually diligent and dynamic, perusing, venturing, adopting new methods and techniques, progressive outlook and innovate spirit. The aged entrepreneurs usually may not be enterprising as a young.

Table 3, Age-Wise Distribution of Select Entrepreneurs in Kurnool District

S. No	Age	No. of Respondents	Percentage to total
1	25 years - 35 years	24	20.00
2	35-45	48	40.00
3	45-55	36	30.00
4	55 and above	12	10.00
	Total	120	100.00

Source: Field study.

Age an important characteristics of human beings. It does not only refer to physical and psychological variety of men but also serves as an indication of his experience, knowledge and worldly wisdom. Age –wise classification of select respondents is presented in table 3. It has understood that 48 respondents in the study are in the age group of 35-45 years, 36 respondents representing 30 per cent of the total are in 45-55 year age group, 20 per cent of the respondents have fallen in the age group 25-35 year remaining 10 per cent of the sample respondents are representing in the age of above 55 years in the present study area.

Family Background

Table 4, Details of Entrepreneurs According to their Family Background

S.No	Family background	No. of Respondents	Percentage to total
1	Agriculture	50	41.67
2	Business	58	48.33
3	Service	12	10.00
	Total	120	100.00

Source: Field study.

The Family background of the entrepreneur has also greater influence on the growth of the firm. A majority of the entrepreneurs generally hail from trade and service sector. This is mainly because of the fact that the fields of trade and service involve enterprising spirit and remunerative in nature. These facts have a greater influence on the entrepreneur to hold the industrial venture. The table 4 shows the various professions of the entrepreneurs prior to their entering into the field of the industrial activity.

Table 4 exhibits details regarding the family background of select respondents. It is observed from industrial entrepreneur in the small industry that out of the total, 58 respondents hail from the business background followed by agriculture background (41.60 %) and 10 per cent of the respondents from the families of service.

Entrepreneurial Motivation

In the growth of industry, motivation plays a crucial role. Entrepreneurs get motivated indifferent ways for setting up of units. In modern days, entrepreneurs are highly attracted by the central and state Governments incentives like subsidies providing accommodation, industrial development area and infrastructure facilities which initiate and accelerate the process of industrialisation. Scope for earning better incomes and having a good carrier which yields good profits are some of important factors which influence the establishment of units. The survey of small units situated in Hyderabad and Secunderabad was conducted in 1974, by NISSET, Hyderabad. It has revealed that the main reason for the starting of the units is economic gains, the other subsidiary resources being ambition, social prestige and social responsibility. The table 5 gives the particulars of entrepreneurs according to their motivation.

As per the details regarding the encouraging factors in starting the business, as is found in table 5, disclose that 50 out of 120 respondents have held that factor their self-intuition. About 35.83 per cent of the respondents have stated that their parents are in the real spirit and encouraging factors in running their business unit, and 22.5 per cent of the entrepreneur encouraging from others. The overall observation of the table obviously brings us to conclude that encouragement by their self-intuition, parents on the business field.

Table 5,Details of Motivations Factors influenced on Entrepreneurs

S.No	Motivation	No. of Respondents	Percentage to total
1	Self	50	41.66
2	Parents/Relatives	43	35.83
3	Others	27	22.50
	Total	120	100.00

Source: Field study.

Ownership

The type of an organisation depends on the factors like nature and type of industry and the extent of capital required. A unit may be organised by a single owner or partnership or cooperative lines. If there is a single ownership, he alone invests and manages the industrial unit. He is responsible either for profits or losses. He alone bears the risk in regard to production and business as he alone takes decisions, and manages the affairs. Partners assist mutually where by their expenditure and abilities together contribute to the easy management of the concern

and improvement of business. A cooperative society is another form of organisation where several members are associated by paying membership and manages the firm. The members of the society also work in the firm and enjoy the fruits of returns. The table 6 provides the information regarding the type of ownership in burnt lime industry.

Table 6, Type of Ownership

S.No	Ownership	No. of Respondents	Percentage to total
1	Sole Trade	50	41.67
2	Partnership	44	36.67
3	Cooperative	26	21.66
	Total	120	100.00

Source: Field study.

It is found from table 6 that out of 120 entrepreneur selected in the study as many as 50 representing 41.7 per cent are running their units as sole traders, 44 respondents 36.67 per cent are running their units as partnership while 26 constituting 21.66 per cent of the total respondents are running their unit as cooperative from the business. This clearly shows the fact that majority of the respondents under the study are to the individual industrial entrepreneurs and being run their business units independently.

Investment on Land & Building

The table 7 presents the distribution of burnt lime units according to the investment in land and buildings. Classification of units according to the capital invested in land and building is depicted in table 7. It is understood from the that 39 out of 120 unit in the study have made investments in land and building below Rs. 1 lakhs, 21.7 per cent of units under study have invested between Rs. 3-4 lakhs, 20.83 per cent of industrial units have invested in the investment range of Rs. 1-2 lakhs, 15 per cent of the units have made investment between Rs. 2-3 lakhs, 5.83 per cent of the units have made investment between Rs. 5 lakhs above and only 4.17 per cent of units are investment between Rs. 4-5 lakhs.

Table 7, Distribution of Units According to the Investment on Land and Building

S.No	Investment (in Rupees Lakhs)	No. of Respondents	Percentage to total
1	Below one lakh	39	32.50
2	1 -2	25	20.83
3	2-3	18	15.00
4	3-4	26	21.67
5	4-5	5	4.17
6	5 lakhs and above	7	5.83
	Total	120	100.00

Source: Field study

Fixed Capital

Fixed capital is more important to any industry. At the time of starting the units, some amount spent on fixed goods like, land kiln, machinery etc. The distribution of fixed capital presented in the table 8.

Regarding fixed capital, 35 per cent of the industrial units under the study are investing in between Rs. One lakhs –three lakhs, 29 per cent of the units are investing in between Rs. 3-5 lakhs, 24.17 per cent of the units are pooling and investing Rs. one lakh below, 6.66 per cent of the units in between Rs. 5 -7 lakhs and five percent of the unit have invested above Rs. Seven lakhs.

Table 8,Details of Total Fixed Capital of Selected Units

S.No	Capital	No. of Respondents	Percentage to total
1	Below one lakhs	29	24.17
2	1-3	42	35.00
3	3-5	35	29.17
4	5-7	8	6.66
5	7 lakhs and above	6	5.00
	Total	120	100.00

Source: Field study.

Conclusion

In this study, the majority of the entrepreneur coming from Backward Community background. This indicate that the reservation people also emerge and actively participate in all dimensions. It is noticed from the study that majority of respondents in the study are the entrepreneur with degree background (30 %) followed by intermediate (24.17 %), post-graduation (20.83%) high school (16.67%) and technical background entrepreneur are 8.33 per cent only. It is observed from industrial entrepreneur in the small industry that out of the total, 58 respondents hail from the business background followed by agriculture background (41.60 %) and 10 per cent of the respondents from the families of service. This clearly shows the fact that majority of the respondents under the study are to the individual industrial entrepreneurs and being run their business units independently.

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