CHAPTER 1

INTRODUCTION
CHAPTER I

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This chapter is essentially devoted to the introduction of glass industry of Firozabad. It further assesses the process and problems of entrepreneurial development in the glass industry of Firozabad. The specific objectives of the study and its importance have also been reviewed in this chapter. Also the methodology and plan of presentation of study is outlined. The contents of the chapter are as follows:

1.1 - Introduction.
1.2 - The problem.
1.3 - Objectives of the study.
1.4 - Importance of the study.
1.5 - Methodology.
1.6 - Presentation of the study.
1.1 - **INTRODUCTION:**

The eco-political dominance of Uttar Pradesh in India is undisputed. There are ample historical evidences of India's colorful history which also contains empirical data pertaining to the trade and commerce activities of Uttar Pradesh. With Taj Mahal on the one hand and hundreds of industries on the other hand, involved in different product lines, Agra holds a place of pride in Uttar Pradesh.

Firozabad, formerly a part of Agra district, came into existence in 5th February 1989. Firozabad is famous in the world for the manufacturing of glass bangles and other glass commodities or things. It is also known as "Suhaq Naqri" and "Kanch Naqri". The total population of Firozabad according to 1991 census is 15,33,054. The city of Firozabad is one of the most densely populated city of Uttar Pradesh. Firozabad District geographically spread over to 2362 square kilometer. The city's area is approximately 6 square kilometer and is within walkable distance from end to end. The glass industry of Firozabad which dates back Mughal period has gained prominence due to unique craftsmanship and diversity of products. Glassmaking seems to have been unknown in India.
before the Mughal period, possibly because there was too great a preference for imports of Venetian glass rather than to encourage domestic industry. Even after the production of glass and its introduction to this country in 18th century it failed to flourish owing to over-reliance on imports from other European countries, including England.

The first glass industry in the organised sector came into existence in 1890. The fancy bangles were manufactured for the first time in 1874-75 by Ustad Mushtaq Ali and persons living in adjoining areas of Firozabad. Gradually it headed towards mass production. With the introduction of the factory based mass production and changes in the structure, size of industrial establishments started showing up.

This led to start of problems between employees and employers, which kept on magnifying with the passage of time. Labour as a productive force of industry has been oppressed from the very inception of the industry and is likely to face various complex problems which some times adversely influence productivity and give fillip to the increasing labour conflicts. Workers efficiency largely depend on the working conditions and socio-
economic environment to which the workers are exposed. As a result of scientific and technological advancements the socio-economic environments have also experienced change and the problems of workers have also been complexly magnified on account of various reasons.

In addition to this despite the long standing of this industry, a majority of entrepreneurs are either illiterate or not highly educated. The artisans are also illiterate and there has been little effort on the part of the government and industry to impart even the rudimentary business skill to them.

Entrepreneur is an individual or group of persons who organise and direct business activities. He not only directs land, labour and capital but is also responsible for the proper functioning of the organisation as a whole.

Needless to emphasise, entrepreneurial development plays a vital role in socio-economic development of the country. The importance of development of entrepreneurship as an ingredient of economic development has been recognised long back.
It is an established fact that entrepreneurs are not only born but are also made and developed. The qualities of an entrepreneur may substantially be developed depending upon the educational and training programmes designed for the entrepreneurs.

Entrepreneurship can play very significant role in the development of industrially backward areas, which has been one of the important national objectives of government policy. Special efforts have been made to find effective methods of stimulating development of industrially backward areas. In November 1968, government appointed two working groups popularly known as Pande Committee and Wanchoo Committee to go into the problems of backward areas. While the Pande Committee laid down the criteria for the identification of backward area districts, the Wanchoo committee suggested several fiscal and financial incentives so as to stimulate the developmental process of these areas.

The committee further recommended for overall development of such areas whether relating to psychological sociological or economic basis. For a long time it was considered to be a god gifted quality and not common all but social-scientists like
David C. McCelland observed that with proper training to right kind of persons, entrepreneurship could be developed like leader in born and it can also be developed.

The training play very important role in initiating and accelerating the process of entrepreneurship development. The main or difficult part of the training was found to be the development of human factors which referred to attitude, desire and motivation of the individual, his capacity to face the environmental changes and the opportunities and his ability to solve the problems. Then another factor is the development of environment in which entrepreneurial activities grow and flourish.

It may particularly be emphasised here that Firozabad glass industry is experiencing lack of trained entrepreneurs, illiteracy being the major cause of it. Entrepreneurial activities in the glass industry of Firozabad slacken because of multiplicity of factors. Some of the important factors which may affect entrepreneurial activities in this region are mentioned below:
1. Financial constraints.
2. Lack of education and knowledge among glass entrepreneurs.
3. Lack of training facilities.
4. Regional/family bias.
5. Lack of awareness of the government policies and facilities available for entrepreneurial ventures/projects.
6. Health hazards.
7. Intensive competition from abroad.
8. Low profile of the government policies to encourage the entrepreneurial development of Firozabad glass industry, because of increasing environmental deterioration at Firozabad, and

Therefore, given the above mentioned reasons, the entrepreneurial activities in Firozabad glass industry are at an extremely low ebb. No doubt, the entrepreneurial activities are the heart and soul for the development of the industry, and hence in order to restore the financial performance and position of the industry, due care should be given to the development of entrepreneurial activities in the
1.2 - THE PROBLEM:

The present study is mainly concerned with investigating entrepreneurial performance of selected small-scale glass units in Firozabad and to identify the problems faced by them, in implementing the major policies and programmes in their business. The study also covers performance of the small-scale glass units in terms of production, sales, profit and investment. In this industry many a units have come to grief and number of others are afflicted with financial sickness and even are threatened to the closure of 212 industries in the twin cities of Agra and Firozabad as recently commented in all daily news papers like The Times of India, Indian Express, The Hindustan Times etc.

1.3 - OBJECTIVES OF THE STUDY:

The objectives of the present study, "Entrepreneurial Performance in Selected Small-Scale Glass Units of Firozabad" are outlined below:

1. To evaluate the entrepreneurial
1. To assess the working performance of glass units of Firozabad.
2. To highlight the recent trends in entrepreneurship development in the glass industry.
3. To examine the growth rate pattern of development of the glass industry of Firozabad.
4. To evaluate the financial performance of glass units of Firozabad.
5. To highlight the problems concerning child labour in Firozabad glass industry.
6. To identify the main problems of glass industries of Firozabad and to suggest some remedial measures to overcome the problems.

1.4 - IMPORTANCE OF THE STUDY:

The small-scale industries play a significant role in developing an economy. The glass industry of Firozabad is having important place in the economy of the nation. The small-scale industries which are the
means to increase the prosperity of individuals and also help to generate employment in the economy of the country with the help of industrial promotional agencies also play part in the realisation of goals of entrepreneurship.

Small-scale industries are an essential link in the chain of the Indian economy. They serve the consumer and meet the needs of all size of business, i.e. large medium and small. Small-scale industries have important social and economic significance. They are, for the most part, relatively labour-intensive and often generate more direct as well as indirect jobs per unit of invested capital than larger firms. However, the growth of small-scale industries is highly influenced with the entrepreneurial development in that industry. Realising the importance of development of entrepreneurship, government and financial institutions are trying their best to develop the entrepreneurship. They assist the new small-scale industries, which come into existence only by providing financial help. This alone can not lead to development of entrepreneurs unless they are properly motivated, and the due training programmes are run which should be directly
related to the projects. Entrepreneurship is a new means of development in the country. The entrepreneurship is included into four factors of production, land, labour, capital and the organisation. Of which the later controls and coordinates the other three factors land, labour, capital.

Entrepreneurship is very aggressive in nature towards the development. It creates employments, income, savings and investment circle among the people as well as the country. But the entrepreneurship, in case of Firozabad glass industries is not different though not developed fully. And hence it seems to have a study on the entrepreneurial performance of Firozabad glass industries.

1.5 - METHODOLOGY:

The data and relevant statistics for this study have been collected from various sources. These data are based on primary as well as secondary sources. Information has been collected from personal interview, and on the basis of a questionnaire. As a result of this survey, some irrelevant questions were
dropped and some other questions relevant to the study were incorporated. The amended questionnaire was finally canvassed to elicit information from the remaining units, though the questionnaire was in English, the questions were explained in the local language like Hindi language, because no worker is expected to know English. Altogether twenty manufacturing units, spread over different locations have been selected for the study. The information about the list of units was obtained from District Industries Centres of Firozabad and associations of manufacturers.

Secondary data was also collected from District Industries Centre, Firozabad. District Statistical Office, and from the Centre for Improvement of the Glass Industry at Firozabad. Some of the information was collected from Maulana Azad Library, Aligarh Muslim University, Aligarh. The Seminar Library and DSA Library of the Department of Commerce as well as the Library of the Department of Business Administration, Aligarh Muslim University, Aligarh., and from News Papers, Manuals, Surveys, Annual Journals published by District Industry Centre of Firozabad. Besides this various other publications
have also been consulted.

1.6 - PRESENTATION OF THE STUDY:

In order to assess the present work entitled "Entrepreneurial performance of selected small-scale glass units of Firozabad" it has been divided into six chapters.

CHAPTER I: INTRODUCTION.

The first chapter deals with the introduction, the problem, objectives of the study, importance of the study and methodology along with the format of the project.

CHAPTER II: REVIEW OF LITERATURE.

The second chapter as attempts has been made to screen and review the literature available in the field of glass industry and entrepreneurs of Firozabad District as well as India.

CHAPTER III: GLASS INDUSTRY OF FIROZABAD: 'AN OVERVIEW'.

The third chapter is devoted to an overview of the industry, with particular reference to its historical background, importance of the glass Industry, Development of Firozabad glass Industry,
Government policy, Geographic concentrate of the unit and details of activities by men, women and children.

CHAPTER IV : PERFORMANCE OF GLASS INDUSTRY OF FIROZABAD.

In the fourth chapter an endeavour has been made to make an appraisal of working performance to glass industry of Firozabad. The performance is made on the basis of both primary as well as secondary data and financial results of the units.

CHAPTER V : PROBLEMS OF SMALL-SCALE GLASS UNITS OF FIROZABAD.

The fifth chapter is devoted to the problems of the industry such as; shortage of raw material, problems of supply of adequate coal and fuel, problems of child labour and government interference, pollution some other problems.

CHAPTER VI : SUMMARY AND RECOMMENDATIONS.

The sixth and final chapter essentially deals with the summary and brings out the results of the study. The chapter further offers major recommendations to improve performance and position of Firozabad glass industry.