CHAPTER - IV

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EVALUATION OF THE DIC IN INDUSTRIALISING
THE MADHUGIRI REVENUE SUB-DIVISION

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This chapter is presented in three parts. Part I explains the concept of District Industries Centre (DIC); implementation of DIC programme in Karnataka; Functions of DIC; and organisational structure of DIC. Part II presents the analysis of the primary data and evaluates the impact of DIC in industrialising the Madhugiri Revenue Sub-division; while the socio-economic conditions of the sampled 200 SSI entrepreneurs in the Revenue sub-division is attempted in Part III of this chapter.

A major structural innovation in the Industrial Policy is the creation of a single agency, to be known as DICs, to deal with all the requirements of small and village industries in order to achieve the objective of "effective promotions of cottage and small industries widely dispersed in rural areas and small towns."

It was felt that if a massive thrust is to be made in the areas of rural industrialisation, it would need to be backed up by a new administrative framework which could, to a large extent, cut across the procedural delays involved in the setting up of a new industry. The DIC has therefore been thought of as an administrative device which is meant to provide a framework for implementing
the new policy measures. The main rationale of the DIC is to provide an easily identifiable focal point at the State level.

The main objectives of creating the post of Additional Director (DIC) are to ensure development of SSIs, to create large scale employment opportunities, promote decentralisation and dispersal of industries, develop agro-based and ancillary industries, improve the skills of artisans and quality of their products treating the above as among the State priority sectors.

The additional Director (DIC) being a modal agency, has to take steps to ensure an affective tie-up between the SSIs and large scale sector undertakings both in the private and public sectors. This tie-up would be in the shape of availability of technical and marketing expertise with these units for the benefit of small and tiny units.

With a view of achieving optimum development in the State, a critical mass of personnel and capabilities has been provided under Additional Director (DIC) which can spark off a significant growth of industries in the district.

2. Implementation of DIC Programme in Karnataka

In accordance with the instructions of the Union Government of Karnataka agreed to set up DICs in all the district headquarters.

In the proceedings of the Government of Karnataka, order No. CI 13 ERI 78, Bangalore, dated May 1st, 1978, the Government
of Karnataka accorded sanction for the establishment of DICs in the first instance, the Seven Rural Industries Project Districts viz. Tumkur, Shimoga, Darwad, Hassann, Belgam, Bijapur, and Bidar were covered by this scheme.

The DIC programme was to cover the entire country under a phased programme. Subsequently, however, it was decided to cover the entire country over a period of two years regardless of the order of priority laid down. The State Governments/UTS are accordingly left free to cover any number of districts for sanctioning of DICs. By the end of December, 1979, 372 of about 400 districts in the country had been covered under the DIC programme.

Keeping in view of the industrial backwardness of the Madhugiri Revenue sub-division, the Government of Karnataka had accorded sanction for the establishment of DIC sub-division at Madhugiri, the headquarters of the Madhugiri Revenue sub-division which started functioning from 1980, solely to accelerate the pace of industrial development in the sub-division.¹

The following are some of the important functions of DIC Central Cell.

1. Monitoring of the Development schemes under RIP/RAP.
2. Implementation of the schemes under Special Component Plan.
3. Implementation of the scheme under Tribal Sub-Plan.

¹ Govt. of India "A Hand Book For Extension Services" Rural Industrial Development; 1980, Dept. of Commissioner Small Scale, New Delhi, p.12.
5. Oversee the Dutch Assisted Scheme in Co-ordination with the DICs in the Districts.


7. Crash Programme for Backward Classes revival artisans in the State.

8. Co-ordinating all activities relating to the DICs.

9. Physical targets and achievements of the DICs are being reviewed and sent to Government of India.

10. Monitors the implementation of 20 point programme, ISP, Component of IRDP, TRYSEM, Subsidy to artisans.

11. Monitoring the Action Plans for identification of Growth Centres, for promotion of Industrial activities under SSI, Village Industries, Tiny Sectors and exchange of Inter-State DIC programmes with feedback systems.

12. Conducting the Industrial Seminars in the various districts.

13. Conducting Enterpreneurial Development Programme which creates new avenues for career development paths with wide varieties of programmes in association with leading financial and other institutions like KSFC, SISI, TECSOK.

The DIC programme was launched by the Government of India on 1st May 1978 throughout length and breadth of the country, with a view to providing an integrated administrative framework at the District level to look after the problems of industrialisation in the District in a composite manner. For effective implementation of this programme the post of Joint Director (DIC) was upgraded
to the post of Additional Director (DIC) to ensure optimum results of DIC programme in the State of Karnataka.

The post of Additional Director (Vishwa) was created as an ad-hoc post purely for implementation of Vishwa Programme that too very recently by the State Government of India is involved under this programme.

Organisational Structure

In administrative terms, the DIC would deal with total spectrum of industrial activities in the district. It would have within itself, personnel who would be able to deal with all aspects of the industrial growth of the district whether it relates to engineering industries, chemical and allied industries or even agro-industries. The totality of functions entrusted to the DIC provides, for the first time, a focal point where a totality of expertise is available to assist new entrepreneurs. In addition, the DIC would be able to draw upon the capabilities of other agencies both at the State and Central levels so as to provide package assistance to potential entrepreneurs.

In other words, the DIC represents a development in industrial administration which is somewhat analogous to the emergence of the District Collector or the Deputy Commissioner in the field of General Administration dealing primarily with the collection of revenue and maintenance of law and order. The institution of District Collector was conceived in the 18th century to draw the entire district administration into a single focus and has provided for two
centuries a measure of stability to the administration at the district level. In a similar manner, though on a narrower spectrum, the General Manager of the DIC would act as the central figure for the growth of new industries within the district.

It was felt that the DIC personnel with the conventional nomenclature of Joint Directors and Deputy Directors would not effectively bring out the desired change in their attitude towards the entrepreneurs and industrialists. Such designations smacked of the bureaucratic set-up. It was, therefore, felt that once the officers managing the flow of concessions are redesignated as General Managers and Functional Managers, their conventional attitude would change and bring in dynamism to spark off significant growth of industries.

Staffing pattern of DICs

The general staffing pattern of the DICs is to have 8 core functionaries which includes a General Manager leading a team of seven Functional Managers. These functionaries form the nucleus of a team which would ultimately draw to itself other personnel working in promotional agencies. The functionaries operating at the district level for the Small Industry Development Corporations, the KVIC Board, etc., are to functionaries are as under:

General Manager: He/she should preferably be of the rank of a Joint Director of Industries in the State. A Senior Deputy Director may also be considered, if found suitable.
**Functional Managers:** A Functional Manager should be of the rank of Dy. Director of Industries / Senior Assistant Director of Industries, if found exceptionally suitable. These 7 Functional Managers would look after the following disciplines:

* Economic Investigation.
* Machineery and Equipment
* Research, Extension and Training.
* Raw Materials.
* Credit
* Marketing: and
* KVIC/RAP/RIP

The number of Functional Managers was kept flexible in view of the wide variations in terms of size of the district, its population and potentialities for industrial development. The number of Functional Managers could accordingly range from 4 to 7. By implication, it means that some of these Functional Managers are to look after more than one discipline. Likewise, one Functional Manager could be asked to look after the activities of two geographically contiguous districts.

**Field Wing:** The emphasis on decentralised growth of small, cottage units demands that the promotional staff of DICs should be spread out to provide all assistance and guidance to the entrepreneurs at their doorsteps. The module of staffing pattern of the field wing suggested to State/UTs accordingly provides for a number of Assistant Managers depending upon the requirements of DICs. The
staff working at district level prior to formation of DICs which is rendered surplus following the merger of these programmes with that of DICs, along with the Extension Officer (Industries) proposed under the Integrated Rural Development Programme should form the core of the Field Wing of the DICs. Besides, placement of schematic staff of the erstwhile RIP and RAP Programmes should be so arranged as to form a part of the field wing.

The General Manager of the DICs should look after the work of the District Industries Office, where the latter's functions relating to organised sector are only of a peripheral nature. However, where substantial time of DIC is consumed by the work of the organised sector, the institution of DIC may continue to exist but its functions relating to small and cottage units should be transferred to the DICs.

PART II

A majority of the people in the Madhugiri revenue subdivision live in the rural areas. More than 90 per cent of the people both in Koratagere and Madhugiri taluk live in the rural areas where as in the case of Pavagada and Sira taluks it is 86 per cent and 87 per cent respectively implying the fact that people here have taken up agriculture as the main source of livelihood (Table 4.1). This is further evidenced by the fact that, in all the four taluks, more than 60% of the work force is depending directly on agriculture except in Pavagada taluk where it is only 54 per cent and the
## Table 4.1

### General Particulars of Four Sample Taluks in Madhugiri Sub-Division

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Name of the Taluk</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Koratagere</td>
<td>Madhugiri</td>
</tr>
<tr>
<td>1</td>
<td>Location and Population</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>No. of towns</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>No. of inhabited villages</td>
<td>230 (30)</td>
<td>287 (32)</td>
</tr>
<tr>
<td>3.</td>
<td>No. of Mandal Panchayats</td>
<td>11 (19)</td>
<td>17 (8)</td>
</tr>
<tr>
<td>4.</td>
<td>Total population (1991)</td>
<td>145560 (16.9)</td>
<td>245600 (28.6)</td>
</tr>
<tr>
<td></td>
<td>(i) Rural population</td>
<td>134029 (92)</td>
<td>223772 (91)</td>
</tr>
<tr>
<td></td>
<td>(ii) Urban population</td>
<td>11531 (8)</td>
<td>21828 (9)</td>
</tr>
<tr>
<td></td>
<td>(iii) Population of SCs</td>
<td>30741 (21)</td>
<td>54516 (22)</td>
</tr>
<tr>
<td></td>
<td>(iv) Population of STs</td>
<td>14299 (14)</td>
<td>28210 (11.5)</td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis indicate percentage to respective rows total.

The percentage of SCs and STs put together, in the total population of all the four taluks is more than 30 and in the case of Pavagada taluk is as high as 42. (Table 4.1). Their social and economic development is such that they could not actively participate to improve their living conditions.

All the taluks in the Madhugiri revenue sub-division are well connected with the State Capital (Bangalore) and the district headquarters (Tumkur). It is only the Sira taluk where the N.H. No. 4 is passing through.

It is a matter of satisfaction to record that all the villages in the four taluks have been electrified and it goes a long way in the establishment of small scale industrial units in the nook and corner of the revenue sub-division. Although post offices have been stationed with the villages which are relatively big the telephone connections are largely restricted to the urban areas and Hobalies in the Madhugiri revenue sub-division (Table 4.3).

The available infrastructure obtained in the taluks made it possible to promote industrialisation at least, in the urban areas in the revenue sub-division of Madhugiri in Tumkur district.

As is already mentioned that there are neither large scale nor medium scale industries functioning in the Madhugiri revenue sub-division, here an attempt is made to study the impact of DIC.
### TABLE 4.2

**OCCUPATIONAL DISTRIBUTION OF FOUR TALUKS IN MADHUGIRI SUB-DIVISION**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Particulars</th>
<th>Name of the Taluks</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Koratagere</td>
<td>Madhugiri</td>
</tr>
<tr>
<td>1.</td>
<td>Cultivators</td>
<td>40132</td>
<td>60132</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(52)</td>
<td>(47)</td>
</tr>
<tr>
<td>2.</td>
<td>Agricultural Labours</td>
<td>14295</td>
<td>28915</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(10)</td>
<td>(23)</td>
</tr>
<tr>
<td>3.</td>
<td>Household industry processing and repairs</td>
<td>1025</td>
<td>1332</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1)</td>
<td>(2)</td>
</tr>
<tr>
<td>4.</td>
<td>Others Trade, Commerce, Transport, Services etc.</td>
<td>8609</td>
<td>15854</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(11)</td>
<td>(13)</td>
</tr>
<tr>
<td>5.</td>
<td>Marginal workers</td>
<td>13091</td>
<td>21433</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2)</td>
<td>(17)</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>77152</td>
<td>127666</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(100)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

**Note:** Figures in parenthesis indicate percentage to respective columns total.

**Source:** Talukwise Plan Statistics 1990-91.
## TABLE 4.3

INFRASTRUCTURAL FACILITIES OF FOUR SAMPLE TALUKS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Particulars</th>
<th>Koratagere</th>
<th>Madhugiri</th>
<th>Pavagada</th>
<th>Sira</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Power</td>
<td>Electrified</td>
<td>Electrified</td>
<td>Electrified</td>
<td>Electrified</td>
<td>--</td>
</tr>
<tr>
<td>2.</td>
<td>Road: Village road and other district roads</td>
<td>352 kms</td>
<td>395 kms</td>
<td>378 kms</td>
<td>490 kms</td>
<td>1615 kms</td>
</tr>
<tr>
<td></td>
<td>state-highway, National highway</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>(i) Cement concrete</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>(ii) Bitarmina/tar</td>
<td>116 kms</td>
<td>151 kms</td>
<td>188 kms</td>
<td>172 kms</td>
<td>627 kms</td>
</tr>
<tr>
<td></td>
<td>(iii) Water Bond Macdam</td>
<td>142 kms</td>
<td>175 kms</td>
<td>107 kms</td>
<td>268 kms</td>
<td>692 kms</td>
</tr>
<tr>
<td></td>
<td>(iv) Motorable and non-motorable road</td>
<td>94 kms</td>
<td>69 kms</td>
<td>83 kms</td>
<td>50 kms</td>
<td>296 kms</td>
</tr>
<tr>
<td>3.</td>
<td>Postal and Telegraph offices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) No. of Post offices</td>
<td>34</td>
<td>66</td>
<td>56</td>
<td>65</td>
<td>215</td>
</tr>
<tr>
<td></td>
<td>(ii) No. of Telegraphic offices</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>(iii) No. of Telephone exchanges</td>
<td>4</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>21</td>
</tr>
</tbody>
</table>

in industrialising one of the most backward region of the State of Karnataka.

The DIC, Tumkur has classified the existing small scale industries (SSIs) into ten categories: Agro-based industries; Forest and plantation based industries; Livestock based industries; Textile based industries; Mineral based industries; Electrical and Allied Industries; General Engineering Industries. Demand based industries; Chemical based Industries and Miscellaneous Industries. Not all the 10 fold category of industries are found in the Madhugiri revenue sub-division; but only four category of small scale industrial units are found to be established in all the four taluks in this sub-division. The existing category of SSI units in the sub-division are:

- Agro-based industries
- Forest-based industries
- General Engineering and miscellaneous

The Agro-based industries are essentially, source based industries in the Madhugiri revenue sub-division. It consists of industries, such as, flour-mills, rice mills, groundnut oil mills and sericulture units.

Forests are conspicuous by their absence in the revenue-sub-division. The forest-based industries, mainly, confined, here, only to saw-mills which draw the wood from other districts of the State of Karnataka. The saw-mill owners engage theirselves in cutting the logs to required sizes and market the planks to local people.
The General engineering industries have been setup in all the four taluk headquarters of the revenue sub-division. These industries are engaged in welding works, automobile repair works, galvanising servicing units.

The miscellaneous category of industries that are found in the revenue sub-division include units such as printing presses, bread and bakery units, book-binding units, tailoring units, and tailoring and ready made garment units.

**Fixed Capital per SSI Unit in the Revenue Sub-Division**

For the purpose of the study fifty units, at random, have been selected from each of the taluk headquarters of the Madhugiri revenue sub-division. In total 200 unit owners were consulted and the required data were collected. The number of units that were selected was 68 from the miscellaneous category of units followed by 62 Agro-based units, 37 Forest-based units, and 33 General Engineering units from all the four taluks in the revenue sub-division (Table 4.4).

The Fixed capital structure of all the four above said category of industrial units is presented in Table 4.5. The average fixed capital per unit of Agro-based unit was Rs. 4.79 lakhs. But the average fixed capital per unit among the four taluks is in the range of Rs. 1.78 to Rs. 4.05 lakhs. The Agro-based industrial units established both in Pavagada and Sira taluks are of recent ones, say, after 1985, as such the cost of value of plant and equipment is higher compared to the similar units which were established prior
TABLE 4.4

CATEGORYWISE SELECTION OF SSI UNITS IN THE FOUR TALUKS OF MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category of the SSI Units</th>
<th>Name of the Taluk</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Koratagere</td>
<td>Madhugiri</td>
</tr>
<tr>
<td>1.</td>
<td>Agro-based Industries</td>
<td>20</td>
<td>09</td>
</tr>
<tr>
<td>2.</td>
<td>Forest based Industries</td>
<td>12</td>
<td>09</td>
</tr>
<tr>
<td>3.</td>
<td>General Engineering</td>
<td>03</td>
<td>12</td>
</tr>
<tr>
<td>4.</td>
<td>Miscellaneous Industries</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: Field survey data.
### TABLE 4.5

**DETAILS RELATING TO FIXED CAPITAL OF THE SAMPLED SSI UNITS IN THE MADHUGIRI REVENUE SUB-DIVISION**

(Rs. in lakhs)

<table>
<thead>
<tr>
<th>Category of unit and name of the taluk (1)</th>
<th>No. of units (2)</th>
<th>Capital Owned (3)</th>
<th>Capital Borrowed (4)</th>
<th>Total (5)</th>
<th>Capital per unit (6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agro based</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Korategere</td>
<td>20</td>
<td>28.53</td>
<td>7.02</td>
<td>35.55</td>
<td>1.78</td>
</tr>
<tr>
<td>(ii) Madhugiri</td>
<td>9</td>
<td>28.26</td>
<td>10.34</td>
<td>38.60</td>
<td>4.29</td>
</tr>
<tr>
<td>(iii) Pavagada</td>
<td>21</td>
<td>126.20</td>
<td>43.00</td>
<td>169.20</td>
<td>8.05</td>
</tr>
<tr>
<td>(iv) Sira</td>
<td>12</td>
<td>23.87</td>
<td>25.11</td>
<td>48.98</td>
<td>4.08</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>206.86</td>
<td>85.47</td>
<td>292.33</td>
<td>4.71</td>
</tr>
</tbody>
</table>

|                |                   | (70.8)            | (29.2)               | (100.0)  |                     |

| 2. Forest based                          |                  |                   |                      |          |                     |
| (i) Korategere                           | 12               | 15.60             | 0.60                 | 16.20    | 1.35                |
| (ii) Madhugiri                           | 9                | 12.89             | 3.68                 | 16.48    | 1.83                |
| (iii) Pavagada                           | 3                | 10.50             | -                    | 10.50    | 3.50                |
| (iv) Sira                                | 13               | 15.85             | 1.57                 | 17.42    | 1.34                |
| Total                                    | 37               | 54.75             | 5.85                 | 60.60    | 1.64                |

|                |                   | (90.3)            | (9.7)                | (100.0)  |                     |
### General Engineering Based

<table>
<thead>
<tr>
<th>(i)</th>
<th>Koratagere</th>
<th>3</th>
<th>1.50</th>
<th>0.45</th>
<th>1.95</th>
<th>0.65</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ii)</td>
<td>Madhugiri</td>
<td>12</td>
<td>19.00</td>
<td>3.20</td>
<td>22.20</td>
<td>1.85</td>
</tr>
<tr>
<td>(iii)</td>
<td>Pavagada</td>
<td>09</td>
<td>25.20</td>
<td>7.00</td>
<td>32.20</td>
<td>3.58</td>
</tr>
<tr>
<td>(iv)</td>
<td>Sira</td>
<td>09</td>
<td>4.17</td>
<td>3.95</td>
<td>8.12</td>
<td>0.90</td>
</tr>
</tbody>
</table>

<p>| | | | | | | |</p>
<table>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>33</td>
<td>49.87</td>
<td>14.60</td>
<td>64.47</td>
<td>1.95</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(77.4)</td>
<td>(22.6)</td>
<td>(100.0)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Miscellaneous

<table>
<thead>
<tr>
<th>(i)</th>
<th>Koratagere</th>
<th>15</th>
<th>21.40</th>
<th>2.20</th>
<th>23.60</th>
<th>1.57</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ii)</td>
<td>Madhugiri</td>
<td>20</td>
<td>20.17</td>
<td>8.00</td>
<td>28.17</td>
<td>1.41</td>
</tr>
<tr>
<td>(iii)</td>
<td>Pavagada</td>
<td>17</td>
<td>9.07</td>
<td>1.00</td>
<td>10.07</td>
<td>0.63</td>
</tr>
<tr>
<td>(iv)</td>
<td>Sira</td>
<td>16</td>
<td>25.49</td>
<td>3.00</td>
<td>28.49</td>
<td>1.78</td>
</tr>
</tbody>
</table>

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>68</td>
<td>76.13</td>
<td>14.20</td>
<td>90.33</td>
<td>1.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(84.3)</td>
<td>(15.7)</td>
<td>(100.0)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey data.
to 1970's both in the taluks of Koratagere and Madhugiri. The average fixed capital per unit in Pavagada was Rs. 8.05 lakh and Rs. 4.08 in Sira.

The average fixed capital per unit of Forest-based in the revenue sub-division is worked out to be Rs. 1.64 lakhs; the variation in this category is not significant compared to the average fixed capital calculated for the individual taluks. However, in the case of Pavagada the average fixed capital per unit is Rs. 3.50 lakhs. It is because of the fact that many forest-based units are set up with the latest machines which are relatively costlier compared to those that were purchased and grounded prior to 1985.

In the case of the General Engineering Units, the average fixed capital per unit in the revenue sub-division is Rs. 1.95 lakhs. The average fixed capital per unit for all the four taluks is in the range of Rs. 0.65 to Rs. 3.58 lakhs. Here again the average fixed capital per unit in Pavagada is as high as Rs. 3.58 lakhs, it is because of the fact that the units are of recent origin. However, the calculated average fixed capital per unit for Koratagere and Sira was respectively Rs. 0.65 and Rs. 0.90 lakhs for the simple reason that those units were established prior to 1985.

With regard to the miscellaneous category of SSI units the average fixed capital for the 3 revenue sub-divisions as a whole is worked out to be Rs. 1.33 lakhs. There are no wide variations, in this regard, among the four taluks. However, it may be observed from Table 4.5 that the average fixed capital per unit in Sira is
calculated to Rs. 0.63 lakhs it is because of the reason that both printing presses and tailoring units are mini sized ones. The printing presses that have been functioning here are sufficiently old and not more than three workers found gainful employment. Same is the case with the tailoring units where each unit is functioning with not more than 4 sewing machines providing full-time job to six workers.

As is already pointed out that 80 per cent of the sampled unit owners belonged to forward communities viz. Brahmins, Lingayaths, Vakkaligas and Vyshyas. The entrepreneurs who belonged to these constitute the rich class of the society in the State. As such the SSI units set up by these entrepreneurs were almost financed by them.

It can be observed in the Table 4.5, that own capital of the entrepreneurs is in the range of 71 to 90 per cent of the total average fixed capital of the units concerned in the revenue sub-divisions; while the borrowed fixed capital is in the range of 10 to 30 per cent.

Working Capital Need

Almost all the sampled SSI unit entrepreneurs in the revenue sub-division could mobilise needed financial resources to meet the working capital of their units concerned. According to Table 4.6 less than 4 per cent of the total amount of working capital requirement was met by borrowed financiers. There is no much variation in this regard among the four taluks of the revenue
sub-division implying the fact that the sampled SSI unit entrepreneurs did not approach banks for getting loans to meet the working capital needs of their units; it is only the rich locals who have sound agricultural background in these taluks that have established SSI units.

Cost of the Production

Production is a process of converting inputs into output(s). An attempt was made to collect the data relating to the cost of very important inputs, such as - raw materials, power, transport and labour, which were used by the entrepreneurs of the SSI units owness in the Maghugiri revenue sub-division, presented in Table 4.7. It is clear from the table that for all the four category of the SSI units, the percentage of the total cost of inputs in the process of production incurred on raw-materials was in the range of 72 to 93; 3 to 6 towards power and transportation; 0.5 to 20 on labour.

The percentage of total cost of production incurred on raw materials is the highest in the case of the Agro-based SSI units and it is the lowest at 72 both in the case of the Forest based and the General Engineering units, while in the case of miscellaneous category it is nearly 88%. The material index for all these SSI units is sufficiently high.

The percentage of the total cost of production on the power and transport items worked out for the four category of SSI units is in the range of 3 to 6 implying the fact that the
### Table 4.6
**Details of Working Capital of Sampled SSI Units in Madhugiri Sub-Division**

<table>
<thead>
<tr>
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<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>O</td>
<td>B</td>
<td>O</td>
<td>B</td>
<td>O</td>
</tr>
<tr>
<td>1.</td>
<td>Forest based industries</td>
<td>37</td>
<td>2.14</td>
<td>0.10</td>
<td>7.06</td>
<td>--</td>
<td>0.60</td>
</tr>
<tr>
<td>2.</td>
<td>Engineering based industries</td>
<td>33</td>
<td>0.30</td>
<td>--</td>
<td>1.76</td>
<td>--</td>
<td>8.60</td>
</tr>
<tr>
<td>3.</td>
<td>Agro based industries</td>
<td>61</td>
<td>8.30</td>
<td>--</td>
<td>22.35</td>
<td>--</td>
<td>85.00</td>
</tr>
<tr>
<td>4.</td>
<td>Miscellaneous industries</td>
<td>68</td>
<td>1.75</td>
<td>0.35</td>
<td>8.89</td>
<td>0.65</td>
<td>2.60</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>200</td>
<td>12.49</td>
<td>0.45</td>
<td>40.06</td>
<td>0.65</td>
<td>96.80</td>
</tr>
</tbody>
</table>

Note (1): Figures in parenthesis Educate percentage to columns total.
(2) O = Owned; B = Borrowed.

Source: Field survey data.
**TABLE 4.7**

DETAILS OF COST OF PRODUCTION OF SSI UNITS IN MADHUGIRI SUB-DIVISION

(Rs. in lakhs)

<table>
<thead>
<tr>
<th>Category of SSI units and Taluks</th>
<th>No. of SSI units</th>
<th>Cost of raw material &amp; transport</th>
<th>Cost of power</th>
<th>Labour cost</th>
<th>Total</th>
</tr>
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<tr>
<td>Forest base Industries</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Koratagere</td>
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<td>4.20</td>
<td>1.54</td>
<td>2.67</td>
<td>8.41</td>
</tr>
<tr>
<td>(ii) Madhugiri</td>
<td>09</td>
<td>1.91</td>
<td>0.63</td>
<td>4.30</td>
<td>6.84</td>
</tr>
<tr>
<td>(iii) Pavagada</td>
<td>03</td>
<td>-</td>
<td>0.62</td>
<td>1.30</td>
<td>1.92</td>
</tr>
<tr>
<td>(iv) Sira</td>
<td>13</td>
<td>68.86</td>
<td>0.51</td>
<td>17.73</td>
<td>87.10</td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
<td>74.97</td>
<td>3.30</td>
<td>26.00</td>
<td>104.27</td>
</tr>
</tbody>
</table>

| General Engineering Industries   |                 |                                 |              |            |       |
| (i) Koratagere                   | 03              | 3.60                            | 0.17         | 0.12       | 0.89  |
| (ii) Madhugiri                    | 12              | 15.55                           | 3.18         | 3.28       | 21.95 |
| (iii) Pavagada                    | 09              | 18.60                           | 0.48         | 4.37       | 23.45 |
| (iv) Sira                         | 09              | 7.90                            | 2.12         | 4.33       | 14.35 |
| Total                             | 33              | 45.65                           | 5.95         | 12.04      | 63.64 |

130
(Contd. Table 4.7)

<table>
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<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
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<td>3. Agro based Industries</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td>23.60</td>
<td>3.59</td>
<td>0.86</td>
<td>28.05</td>
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<tr>
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<td>09</td>
<td>395.19</td>
<td>6.31</td>
<td>2.70</td>
<td>404.20</td>
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<tr>
<td>(iii) Pavagada</td>
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<td>994.20</td>
<td>97.18</td>
<td>4.34</td>
<td>1095.72</td>
<td></td>
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<tr>
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<td>12</td>
<td>466.40</td>
<td>27.71</td>
<td>2.25</td>
<td>473.36</td>
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<tr>
<td></td>
<td>62</td>
<td>1859.39</td>
<td>111.79</td>
<td>10.15</td>
<td>2001.33</td>
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<tr>
<td></td>
<td></td>
<td>(92.90)</td>
<td>(5.59)</td>
<td>(0.51)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Miscellaneous Industries</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Koratagere</td>
<td>15</td>
<td>13.05</td>
<td>0.81</td>
<td>1.13</td>
<td>15.00</td>
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</tr>
<tr>
<td>(ii) Madhugiri</td>
<td>20</td>
<td>44.75</td>
<td>2.33</td>
<td>4.75</td>
<td>51.83</td>
<td></td>
</tr>
<tr>
<td>(iii) Pavagada</td>
<td>17</td>
<td>13.12</td>
<td>1.26</td>
<td>1.57</td>
<td>15.95</td>
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</tr>
<tr>
<td>(iv) Sira</td>
<td>16</td>
<td>51.64</td>
<td>1.77</td>
<td>3.72</td>
<td>57.13</td>
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<tr>
<td></td>
<td>68</td>
<td>122.56</td>
<td>6.17</td>
<td>11.17</td>
<td>139.91</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>200</td>
<td>2102.57</td>
<td>127.21</td>
<td>59.36</td>
<td>2309.15</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(91.05)</td>
<td>(5.51)</td>
<td>(2.57)</td>
<td>(100.0)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey data.
entrepreneurs buy required inputs at the nearest urban centres and the units were set up with lower horse power motors. However, for the general engineering units, where the power consumption is high and the necessary metal sheets/rods are obtained from Bangalore, it is therefore, the percentage of total cost of production for this category of the units is nearly 6.

The percentage of total cost of production incurred on labour charges or wages worked out to be in the range of less than one to five. It is lowest at 0.5 per cent in the case of the Agro-based units for the labour engaged is, largely, drawn from rural areas. The labours need not possess skills to work in these units hence, paid low wages. Whereas in the case of the miscellaneous category where most of the units are tailoring, and ready made garment units; the labour necessarily possess skills and the wages paid to the workers in these units constitute nearly 8 per cent of the total cost of production. In the case of the forest-based and the general engineering units the workers not only to possess required skills but also need to improve their skills to continue to work in these units as such their wages have relatively more; they constitute more than 20 per cent of the total cost of production.

However, here the rent and interests rates have not been included because, as is made already clear that most of the unit owners are rich enough to mobilise individual resources and have housed their units in their own buildings or premises.
Employment Generation

The number of man-days generated in all the 200 sampled units during the year 1992-93 was 3,31,200. To arrive at the exact number of workers engaged in these units, the total number of man-days is divided by 300 man-days which is treated as one man-year. Based on this, nearly 1,104 workers were gainfully employed in these sampled units during the year 1992-93 (Table 4.8).

The average number of workers per unit is calculated at 5.5 or six worker per unit in the Madhugiri revenue sub-division. However, variations are observed in this regard. In the case of the Forest based units the average number of workers per unit was nearly 14; 6 in the general engineering; 3 each in the case of Agro-based and miscellaneous category of units.

Although forests are not to be traced in the sub-division, more number of workers were employed in the Forest-based units. It is because of two reasons:

(a) The local carpenters are engaged throughout the year either in the preparation of farm equipment or wood work that are to be used in the construction of houses which is being carried on rather briskly. In recent days; wood is being purchased from other parts of the State.

(b) In the taluk of Sira where Beedi manufacturing is undertaken, mostly, by muslims which include a larger number of women workers. The beedi-leaves are obtained from other parts of the country.
The General Engineering Units are located only in the taluk headquarters. As such the units register a lot of work to be done. Most of these units worked for two shifts in a day during the period under reference. Hence, more number of man-days were generated in these units and thus accounted for, on an average, six workers per unit in the sub-division.

The percentages of family labour (own labour) and hired-labour are respectively 42 and 48 in these units. The participation of women workers is far too insignificant. According to Table 4.8, women-workers constitute less than 9 per cent of the total work force in these units. That is to say male work-force accounted for 91 per cent during the year under reference. It is only in the case of beedi-manufacturing units located in Sira where women workers are engaged in bread-winning job on relatively large scale and now here else in the Madhugiri revenue sub-division. The Beedi manufacturers supply the required inputs to these workers at door step to manufacture beedis. The Muslim women, after having attended the household works have been manufacturing beedies here and they have been earning livelihood.

Income

The sampled unit entrepreneurs did not maintain proper records with regard to stock of marketable goods, inventories and depression costs of plant and equipment. The data could be obtained only for Gross value of goods and services produced, cost of production and net income for the year 1992-93.
TABLE 4.8
EMPLOYMENT POSITION OF SELECTED SSIs IN THE MADHUGIRI REVENUE SUB-DIVISION

(Employment in mandays)

<table>
<thead>
<tr>
<th>Category of SSI units</th>
<th>No. of units</th>
<th>Family labour Male</th>
<th>Family labour Female</th>
<th>EMPLOYMENT Total</th>
<th>Hired labour Male</th>
<th>Hired labour Female</th>
<th>Total</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(8)</td>
<td>(9)</td>
</tr>
<tr>
<td>(i) Koratagere</td>
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<td>4540</td>
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<td>5650</td>
<td>8400</td>
<td>-</td>
<td>8400</td>
<td>14050</td>
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<tr>
<td>(ii) Madhugiri</td>
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<td>46700</td>
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<td>47000</td>
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<td>-</td>
<td>13160</td>
<td>60160</td>
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<tr>
<td>(iii) Pavagada</td>
<td>03</td>
<td>900</td>
<td>-</td>
<td>900</td>
<td>3900</td>
<td>-</td>
<td>3900</td>
<td>4800</td>
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<tr>
<td>(iv) Sira</td>
<td>13</td>
<td>8100</td>
<td>-</td>
<td>8100</td>
<td>37200</td>
<td>25500</td>
<td>62700</td>
<td>70800</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td><strong>60240</strong></td>
<td><strong>1410</strong></td>
<td><strong>61650</strong></td>
<td><strong>62660</strong></td>
<td><strong>25500</strong></td>
<td><strong>88160</strong></td>
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<td></td>
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<td>(1694)</td>
<td>(689)</td>
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General Engineering Industries

<table>
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<tr>
<th>Category of SSI units</th>
<th>No. of units</th>
<th>Family labour Male</th>
<th>Family labour Female</th>
<th>EMPLOYMENT Total</th>
<th>Hired labour Male</th>
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<th>Total</th>
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<td>(7)</td>
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<td>(9)</td>
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<td>-</td>
<td>12600</td>
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<td>12100</td>
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<td><em>(760)</em></td>
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<td><em>(9)</em></td>
<td><em>(1024)</em></td>
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<td><strong>Agro based Industries</strong></td>
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<td></td>
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<td>-</td>
<td>5530</td>
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<td>2400</td>
<td>7930</td>
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<td>8790</td>
<td>-</td>
<td>8790</td>
<td>11850</td>
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<td>6430</td>
<td>6920</td>
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<td>6920</td>
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<td><strong>Total</strong></td>
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<td>20970</td>
<td>36180</td>
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<td>4790</td>
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<td>5390</td>
<td>3700</td>
<td>300</td>
<td>4000</td>
<td>9390</td>
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<td>26090</td>
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<td>17</td>
<td>5650</td>
<td>-</td>
<td>5650</td>
<td>5850</td>
<td>-</td>
<td>5850</td>
<td>11500</td>
</tr>
<tr>
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<td>-</td>
<td>7600</td>
<td>10150</td>
<td>-</td>
<td>10150</td>
<td>17750</td>
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<td>2610</td>
<td>30835</td>
<td>33595</td>
<td>300</td>
<td>33895</td>
<td>64730</td>
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<td>138475</td>
<td>166565</td>
<td>26100</td>
<td>192665</td>
<td>331200</td>
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*Note:* Figures in brackets are averages.

*Source:* Field survey data.
The sampled 200 units in the Madhugiri revenue sub-
division have produced goods and services during the year whose
gross value was Rs. 2,560.41 lakhs with the cost production of
Rs.2,303.15 lakhs consequent upon the generation of net income of
Rs.57.26 lakh (Table 4.9).

The average net income calculated for the Agro-based
unit was Rs. 55,775; Rs. 49,027 for the Forest based unit; Rs.43,454
for the General Engineering units and Rs. 1,32,647 for miscellaneous
category unit in the sub-division during the year 1992-93.

133 units could earn net income of profit of less than
Rs.50,000 each; 43 units more than Rs. 50,000 to 1,00,000; 9 units
more than Rs. 10,000 and 15 units more than Rs. 1 lakhs It is
significant to note that all the 15 units under miscellaneous category
could earn net income of Rs. 5,14,066 each.

Marketing

According to Table 4.10, 82 per cent of the sampled
entrepreneurs sold their goods and services all by themselves; 9.5
per cent of them to retailers, while 8.5% them to 10 wholesalers
in the Madhugiri revenue sub-division. It can be seen from Table 4.11
that 77 per cent of the sampled entrepreneurs marketed their goods
and services within the district, 19 per cent of them to outside the
district while 4 per cent to the outside the State.

Taluk-wise marketing of the products produced in the
SSI units in the sub-division are displayed in Table 4.12 which
indicates the fact that nearly 85 per cent of the entrepreneurs in
### TABLE 4.9
PARTICULARS OF GROSS INCOME, COST OF PRODUCTION AND NET INCOME OF SSI UNITS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category of SSI Units</th>
<th>No. of SSI units</th>
<th>Gross income (Rs. in lakhs)</th>
<th>Cost of production (Rs. in lakhs)</th>
<th>Net income (Rs. in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Forest based industries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Koratagere</td>
<td>12</td>
<td>9.84</td>
<td>8.41</td>
<td>1.43</td>
</tr>
<tr>
<td></td>
<td>(ii) Madhugiri</td>
<td>9</td>
<td>12.13</td>
<td>6.84</td>
<td>5.29</td>
</tr>
<tr>
<td></td>
<td>(iii) Pavagada</td>
<td>03</td>
<td>2.55</td>
<td>1.92</td>
<td>0.63</td>
</tr>
<tr>
<td></td>
<td>(iv) Sira</td>
<td>13</td>
<td>97.89</td>
<td>87.10</td>
<td>10.79</td>
</tr>
<tr>
<td></td>
<td></td>
<td>37</td>
<td>122.41</td>
<td>104.27</td>
<td>18.14</td>
</tr>
<tr>
<td>2</td>
<td>General Engineering industries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Koratagere</td>
<td>03</td>
<td>4.65</td>
<td>3.89</td>
<td>0.76</td>
</tr>
<tr>
<td></td>
<td>(ii) Madhugiri</td>
<td>12</td>
<td>26.52</td>
<td>21.95</td>
<td>4.57</td>
</tr>
<tr>
<td></td>
<td>(iii) Pavagada</td>
<td>09</td>
<td>26.46</td>
<td>23.45</td>
<td>3.01</td>
</tr>
<tr>
<td></td>
<td>(iv) Sira</td>
<td>09</td>
<td>14.35</td>
<td>8.35</td>
<td>6.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>33</td>
<td>71.98</td>
<td>57.64</td>
<td>14.34</td>
</tr>
<tr>
<td>3</td>
<td>Agro based Industries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) Koratagere</td>
<td>20</td>
<td>37.60</td>
<td>28.05</td>
<td>9.55</td>
</tr>
<tr>
<td></td>
<td>(ii) Madhugiri</td>
<td>09</td>
<td>415.27</td>
<td>404.20</td>
<td>11.07</td>
</tr>
<tr>
<td></td>
<td>(iii) Pavagada</td>
<td>21</td>
<td>1101.96</td>
<td>1095.72</td>
<td>6.24</td>
</tr>
<tr>
<td></td>
<td>(iv) Sira</td>
<td>12</td>
<td>481.08</td>
<td>473.36</td>
<td>7.72</td>
</tr>
<tr>
<td></td>
<td></td>
<td>62</td>
<td>2035.91</td>
<td>2001.33</td>
<td>34.58</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>---</td>
<td>----</td>
<td>---------</td>
<td>-------</td>
<td>-------</td>
<td>--------</td>
</tr>
<tr>
<td>4. Miscellaneous</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Koratagere</td>
<td>15</td>
<td>92.11</td>
<td>15.00</td>
<td>77.11</td>
<td></td>
</tr>
<tr>
<td>(ii) Madhugiri</td>
<td>20</td>
<td>58.36</td>
<td>51.83</td>
<td>6.53</td>
<td></td>
</tr>
<tr>
<td>(iii) Pavagada</td>
<td>17</td>
<td>18.99</td>
<td>15.95</td>
<td>3.04</td>
<td></td>
</tr>
<tr>
<td>(iv) Sira</td>
<td>16</td>
<td>60.65</td>
<td>57.13</td>
<td>3.52</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>68</td>
<td>230.11</td>
<td>139.91</td>
<td>90.20</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey data.
TABLE 4.10
MARKETING OF SSI PRODUCTS THROUGH DIFFERENT CHANNELS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category of SSI Units</th>
<th>Own sales organisation</th>
<th>Institutions</th>
<th>Wholesalers</th>
<th>Retailers</th>
<th>Total sample units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Forest based Industries</td>
<td>27</td>
<td>--</td>
<td>--</td>
<td>10</td>
<td>37</td>
</tr>
<tr>
<td>2.</td>
<td>General Engineering</td>
<td>28</td>
<td>--</td>
<td>--</td>
<td>05</td>
<td>33</td>
</tr>
<tr>
<td>3.</td>
<td>Agro-based Industries</td>
<td>41</td>
<td>--</td>
<td>17</td>
<td>04</td>
<td>62</td>
</tr>
<tr>
<td>4.</td>
<td>Miscellaneous Industries</td>
<td>68</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>68</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>164</td>
<td>--</td>
<td>17</td>
<td>19</td>
<td>200</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentages to total.

Source: Field survey data.
### TABLE 4.11

DETAILS OF MARKETING PROCEDURE OF SSI UNITS OF SELECTED FOUR TALUKS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category of SSI Units</th>
<th>Marketing procedure</th>
<th>Total No. of SSI Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Within the district</td>
<td>Outside the district</td>
</tr>
<tr>
<td>1.</td>
<td>Forest based industries</td>
<td>37</td>
<td>--</td>
</tr>
<tr>
<td>2.</td>
<td>General Engineering Industries</td>
<td>26</td>
<td>07</td>
</tr>
<tr>
<td>3.</td>
<td>Agro based Industries</td>
<td>32</td>
<td>22</td>
</tr>
<tr>
<td>4.</td>
<td>Miscellaneous Industries</td>
<td>59</td>
<td>09</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>154</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>(77)</td>
<td>(19)</td>
<td>(4)</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentages to total.

Source: Field survey data.
TABLE 4.12

TALUK-WISE MARKETING OF SSI PRODUCTS THROUGH DIFFERENT CHANNELS

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Taluk</th>
<th>Own sales organisation</th>
<th>Institutions</th>
<th>Whole saler</th>
<th>Retailer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>36</td>
<td>--</td>
<td>06</td>
<td>08</td>
<td>50</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>44</td>
<td>--</td>
<td>03</td>
<td>03</td>
<td>50</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>41</td>
<td>--</td>
<td>05</td>
<td>04</td>
<td>50</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>48</td>
<td>--</td>
<td>02</td>
<td>--</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>169</td>
<td>--</td>
<td>16</td>
<td>15</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(84.5)</td>
<td>--</td>
<td>(8)</td>
<td>(7.5)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentages to total.

Source: Field survey data.
all the 4 taluks marketed their goods and services all by themselves, while only 15 per cent of them sold their goods and services to wholesalers and retailers. (Table 4.12).

Problems faced by the SSI entrepreneurs

From the facts presented in Table 4.13 drives one to think infrastructural facilities, machinery and technology adopted in the plants did not pose any serious problem. As many as 54 per cent of the entrepreneurs felt difficulty in obtaining Institutional Finances, for the procedures adopted for sanctioning loans by the institutions take too long a time and the process is too cumbersome.

Nearly 19 per cent of the entrepreneurs could not realise their sale proceeds and it was problem for them to procure the needed inputs when prices of them were ruling low. Procurement of required raw-materials was also a problem for 12 per cent of the sampled entrepreneurs in the sub-division.

District Industries Centre

In the year 1978, the Government of India sponsored a scheme for the effective development of cottage and small scale industries widely dispersed in rural areas and small towns to generate employment among rural youth, artisans and unemployed.

Under this scheme there will be only one agency to deal with all the requirements of the small and village industries at the district level itself. This agency, under one single roof, provides
### TABLE 4.13

PROBLEMS FACED BY THE SSI UNITS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Category of the Industry</th>
<th>Raw material structure</th>
<th>Institutional financing Raw material structure</th>
<th>Machine</th>
<th>Marketing Machine</th>
<th>Total sample</th>
<th>Technology units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Forest based Industries</td>
<td>24</td>
<td>07</td>
<td>01</td>
<td>37</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>General Engineering</td>
<td>16</td>
<td>--</td>
<td>02</td>
<td>33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Agro based Industries</td>
<td>29</td>
<td>08</td>
<td>03</td>
<td>62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Miscellaneous Industries</td>
<td>39</td>
<td>09</td>
<td>02</td>
<td>06</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>108</td>
<td>(54)</td>
<td>12</td>
<td>37</td>
<td>(18.5)</td>
<td>(177)</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentages to total.

Source: Field survey data.
all the services and support including project identification, supply of machinery and equipment, provision of raw-materials, arrangement for credit facilities, marketing guidance and a cell for quality controls, research and extension will be provided with special emphasis on the requirement of cottage and household industries. This agency is named as DISTRICT INDUSTRIES CENTRE (DIC).

**Overall Assessment of DIC - A Critical Assessment by the Entrepreneurs in the Madhugiri Revenue Sub-Division**

The DIC at Madhugiri on behalf of the entrepreneurs, liaised with the banks, municipal offices and electricity department in arranging financial assistance, clearance certificates and recommending for the supply of electric power to the SSI units at subsidised rates respectively. Thus, it is noticed in Table 4.14 that 82 entrepreneurs, accounting for 41 per cent of the sampled entrepreneurs were of the opinion that the DIC at Madhugiri has been playing useful role in promoting industrial activity and in the spread of industrial culture in the sub-division. Since many entrepreneurs, somehow, could manage financial resources which were either raised through friends or by their relatives, did not approach banks to get loans and only 5.5 per cent of the sampled entrepreneurs felt that the DIC's role as an agent was satisfactory, at least in recommending their application to avail themselves of the investment subsidy from the banks. While a majority of the sampled entrepreneurs reported that the DIC is performing its functions well in respect of registration of the SSI units and in sanctioning licenses
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Comments by the Entrepreneurs</th>
<th>Koratagere</th>
<th>Madhugiri</th>
<th>Pavagada</th>
<th>Sira</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>In promoting industrial activity</td>
<td>14</td>
<td>19</td>
<td>15</td>
<td>12</td>
<td>60</td>
<td>30</td>
</tr>
<tr>
<td>2.</td>
<td>In regular running of the units</td>
<td>3</td>
<td>6</td>
<td>1</td>
<td>6</td>
<td>16</td>
<td>08</td>
</tr>
<tr>
<td>3.</td>
<td>As an agent</td>
<td>3</td>
<td>4</td>
<td></td>
<td>4</td>
<td>11</td>
<td>5.5</td>
</tr>
<tr>
<td>4.</td>
<td>In promoting industrial culture</td>
<td>5</td>
<td>6</td>
<td>4</td>
<td>7</td>
<td>22</td>
<td>11</td>
</tr>
<tr>
<td>5.</td>
<td>Proceeding of modern techniques in production process</td>
<td>9</td>
<td>3</td>
<td>8</td>
<td>5</td>
<td>25</td>
<td>12.5</td>
</tr>
<tr>
<td>6.</td>
<td>No idea</td>
<td>16</td>
<td>12</td>
<td>22</td>
<td>16</td>
<td>66</td>
<td>33</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Figures in the brackets are percentages to the row totals.

Source: Field survey data.
for the establishment of new industrial units in the revenue sub-division.

There were no instances where the DIC supplied the scarce raw-materials or in arranging the machinery on hire purchase to the sampled entrepreneurs in the sub-division.

Very recently the DIC undertook the project to train the rural youth to pursue self-employment activities in the sub-division. The youth were trained in electrical works (rewinding of motors and repairs of electric motors; welding works and tailoring works.

25 out 200 sampled entrepreneurs were of the opinion that the DIC did its best in exposing them to procure modern techniques of production process in their units in the sub-division.

However, a significant number of sampled entrepreneurs were not aware of the very existence of DIC at Madhugiri leave alone getting the benefits from it. According to Table 4.14, 66 out of 200 sampled entrepreneurs who were accounted for 33 per cent, seemed to have 'no idea' whatsoever about the DIC either at Tumkur or at Madhugiri.

Further, in the regular running of the SSI units the DIC did not play a significant useful role and in preventing the sickness prevailed in the SSI units in the Madhugiri revenue sub-division. It is observed from the table that not even a single entrepreneur seemed to have received any sort of marketing assistance from the
DIC. On the basis of the survey findings one may conclude that there exists a significant gulf between the objectives of the DIC and its actual performance. In fact, there was a lot more that the DIC was expected to achieve than what was actually accomplished.

PART - III

SOCIO-ECONOMIC CONDITIONS OF THE SAMPLED ENTREPRENEURS IN THE MADHUGIRI REVENUE SUB-DIVISION

It is attempted in this chapter to explain the socio-economic background of the 200 sampled entrepreneurs who are spread in all the four taluks of Koratagere, Madhugiri, Pavagada and Sira. It is hoped that a clear understanding of the socio-economic background of the entrepreneurs would enable one to know who matters most in the industrial development in the sub-division.

Family size

It appears that the modernity has not crept deep into the lives of the households as to divide the joint families into smaller families or nuclear families. According to the facts presented in Table 4.15, the average size of the individual families is in the range of 6 to 8. The total population of the sampled entrepreneurs is 1,365 composing of 25 per cent of them in age group of 1 to 14 years; 68 per cent in the 15 to 59 years and 7 per cent who are above 60 years.
TABLE 4.15

FAMILY SIZE PARTICULARS OF SSI UNIT RESPONDENTS IN MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>Description</th>
<th>Koratagere</th>
<th>Madhugiri</th>
<th>Pavagada</th>
<th>Sira</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years</td>
<td>M  F  T</td>
<td>M  F  T</td>
<td>M  F  T</td>
<td>M  F  T</td>
<td>M  F  T</td>
</tr>
<tr>
<td>1 - 14</td>
<td>30 35 65 63 45 108 32 38 70 51 47 98</td>
<td>176 165 341</td>
<td>(52) (48) (100)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 - 59</td>
<td>120 89 209 133 103 236 113 101 214 133 135 268</td>
<td>499 428 927</td>
<td>(54) (46) (100)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above 60</td>
<td>11 07 18 19 14 33 16 15 31 10 5 15</td>
<td>56 41 97</td>
<td>(58) (32) (100)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>161 132 293 215 162 377 161 154 315 194 187 381</td>
<td>731 634 1365</td>
<td>(54) (46) (100)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: 1. M = Male; F = Female; T = Total. 2. Figures in brackets are percentages to respective rows total.

Source: Field survey data.
It is observed in the table that for every 1,000 males there are 867 women. However, there are variations in this regard. For instance there are 938 women for every 1,000 males who are in the age group of 1 - 14 years, 858 women for every 1,000 men in the age group of 15-59 years and 932 women for every 1,000 men who are above sixty years.

**AGE**

It may be seen in Table 4.16 that 33 per cent of the sampled entrepreneurs fall in the age group between 25 and 40 years; 45 per cent in 40 and 55 years; and it is only 17 per cent who are above 55 years. That is to say 83 per cent of the entrepreneurs are found to be in the age of 25 to 55 years in the Madhugiri revenue sub-division.

**Community**

Classification of the entrepreneurs on the basis of community is attempted to present in Table 4.17. Nearly 80 per cent of the sampled entrepreneurs belonged to the forward communities, such as Brahmins, Lingayaths, Vikkaligas and Vyshyas; 18 per cent belonged to the backward communities viz., Weavers, Kammas and Kurubas; and entrepreneurs who belonged to both SCs and STs put together accounted for a little more than 2 per cent. It can be conclusively said that entrepreneurs who belonged to forward community have a dominating role in the industrial development of Madhugiri revenue sub-division of Tumkur district. Though entrepreneurs of BCs are participating, but in proportionate to their
### TABLE 4.16

AGE GROUP PARTICULARS OF SSI UNIT OWNERS IN THE SELECTED TALUKS OF TUMKUR DISTRICT

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Taluk</th>
<th>25 - 40 years</th>
<th>40-55 years</th>
<th>55 years and above</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>19</td>
<td>22</td>
<td>9</td>
<td>50</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>21</td>
<td>17</td>
<td>12</td>
<td>50</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>19</td>
<td>26</td>
<td>5</td>
<td>50</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>17</td>
<td>25</td>
<td>8</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>76</strong></td>
<td><strong>90</strong></td>
<td><strong>34</strong></td>
<td><strong>200</strong></td>
</tr>
</tbody>
</table>

(38) (45) (17)

Note: Figures in brackets are percentages to total

Source: Field survey data.
TABLE 4.17
CASTE-WISE OWNERSHIP OF SSI UNITS IN THE SELECTED TALUKS OF THUMKUR DISTRICT

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Taluk</th>
<th>F.Cs.</th>
<th>B.Cs.</th>
<th>S.Cs</th>
<th>S.Ts</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>45</td>
<td>02</td>
<td>02</td>
<td>01</td>
<td>50</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>40</td>
<td>08</td>
<td>01</td>
<td>01</td>
<td>50</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>43</td>
<td>07</td>
<td>--</td>
<td>--</td>
<td>50</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>31</td>
<td>19</td>
<td>--</td>
<td>--</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>159</td>
<td>36</td>
<td>03</td>
<td>02</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(79.5)</td>
<td>(18)</td>
<td>(1.5)</td>
<td>(1)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentage to total.
Source: Field survey data.
share in the total population, their role is just minimum in the industrial development of the sub-division.

With regard to the entrepreneurs who belonged to SCs and STs largely, work in the village Tanneries and engaged in the manufacture of Sandals for the village markets.

**Educational Levels**

According to Table 4.18 nearly 58 per cent of the sampled entrepreneurs had attained education up to the Secondary level; 18 per cent Primary Education; 11 per cent College and 9 per cent Technical Education. The percentage of illiterate entrepreneurs is as low as 4 per cent. Most of the flour mills in the villages are being maintained by the illiterates in the sub-division.

It is rather interesting to note that more than 90 per cent of the entrepreneurs did not possess Technical Education which is very essential to set up industries and to maintain them smoothly. This did not deter them from taking up industrial activity here; with the acquired skills they could venture to set up SSI units and all the units have been functioning in the sub-division.

**Work Force of the Households**

In all the four taluks of the Madhugiri revenue sub-division family labour is participating in the SSI units setup by them. Most of the household labour work on full time basis while only very insignificant number of them work on part-time basis.
TABLE 4.18
EDUCATIONAL LEVELS OF SSI ENTREPRENEURS IN THE SELECTED TALUKS OF THUMKUR DISTRICTS

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Taluk</th>
<th>Illiteracy</th>
<th>Primary</th>
<th>Secondary</th>
<th>College</th>
<th>Technical Edn.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>2</td>
<td>15</td>
<td>23</td>
<td>6</td>
<td>4</td>
<td>50</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>3</td>
<td>4</td>
<td>25</td>
<td>11</td>
<td>7</td>
<td>50</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>2</td>
<td>3</td>
<td>38</td>
<td>3</td>
<td>4</td>
<td>50</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>2</td>
<td>14</td>
<td>29</td>
<td>2</td>
<td>3</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>36</strong></td>
<td><strong>115</strong></td>
<td><strong>22</strong></td>
<td><strong>18</strong></td>
<td><strong>200</strong></td>
</tr>
</tbody>
</table>

Note: Figures in brackets are percentage to total.

Source: Field survey data.
It may be noticed from Table 4.19 that the participation of female work force is conspicuous by its absence. However, in Madhugiri only 6 female workers have been participating in the SSI units on full time job and nowhere it is observed in the entire sub-division.

The percentage of household labour to the total percentage of population for Koratagere for the year 1992-93 was 21.4; 27.6 for Madhugiri; 23 for Pavagada, it was 27.9 in the case of Sira. While the percentage of household work force to the total population of the sub-division as a whole stood at 25.6.

**Assets Position of the Entrepreneurs**

It is significant to note that all the 200 sampled entrepreneurs have pucca houses which serve both as residential buildings and the premises for the SSI units of most of the entrepreneurs in the revenue sub-division of Madhugiri. The average value of the house property for each entrepreneur, for all the four taluks, is in the range of Rs. 1.17 to Rs. 2.78 lakhs (Table 4.20).

The average value of the landed property for each individual entrepreneur is in the range of Rs. 0.35 to Rs. 1.72 lakhs.

While the other assets, which are in the form of vehicles, bank balances, cattle, including oxen and two-wheelers the average value of which for each individual entrepreneur ranges from Rs. 0.71 to Rs. 4.00 lakhs.
### PARTICULARS OF HOUSE HOLD WORKERS IN THE SELECTED SSI UNITS OF THUMKUR DISTRICT

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description</th>
<th>Koratagere</th>
<th>Madhugiri</th>
<th>Pavagada</th>
<th>Sira</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Part-time workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Male</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>-</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>(b) Female</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2.</td>
<td>Full-time workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(a) Male</td>
<td>65 (19)</td>
<td>110 (33)</td>
<td>68 (20)</td>
<td>93 (27)</td>
<td>336 (100)</td>
</tr>
<tr>
<td></td>
<td>(b) Female</td>
<td>-</td>
<td>6</td>
<td>--</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>3.</td>
<td>Total workers</td>
<td>67 (19)</td>
<td>118 (34)</td>
<td>68 (20)</td>
<td>93 (27)</td>
<td>346 (100)</td>
</tr>
<tr>
<td>4.</td>
<td>Total Family members</td>
<td>293 (27.6)</td>
<td>377 (27.6)</td>
<td>315 (23.1)</td>
<td>383 (27.9)</td>
<td>1365 (100)</td>
</tr>
</tbody>
</table>

Note: Figures in paranthesis indicate percentage to rows total.

Source: Field survey data.
# Table 4.20
Details of Assets Owned by SSI Entrepreneurs in the Selected Taluks of Tumkur District

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Taluk</th>
<th>No. of sample units</th>
<th>Land (Rs)</th>
<th>House (Rs)</th>
<th>Others assets (Rs)</th>
<th>Total (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>50</td>
<td>33.25</td>
<td>56.45</td>
<td>47.40</td>
<td>139.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(0.67)</td>
<td>(1.17)</td>
<td>(0.95)</td>
<td>(2.78)</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>50</td>
<td>86.10</td>
<td>117.50</td>
<td>54.25</td>
<td>257.85</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(1.72)</td>
<td>(2.35)</td>
<td>(1.09)</td>
<td>(5.16)</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>50</td>
<td>79.70</td>
<td>138.95</td>
<td>199.85</td>
<td>418.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(1.59)</td>
<td>(2.78)</td>
<td>(4.00)</td>
<td>(8.37)</td>
</tr>
<tr>
<td>4.</td>
<td>Sirra</td>
<td>50</td>
<td>17.45</td>
<td>71.10</td>
<td>35.40</td>
<td>123.95</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(0.35)</td>
<td>(1.42)</td>
<td>(0.71)</td>
<td>(2.48)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>2000</strong></td>
<td><strong>216.50</strong></td>
<td><strong>383.03</strong></td>
<td><strong>436.90</strong></td>
<td><strong>939.40</strong></td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis indicate average values.

Source: Field survey data.
On the basis of the facts presented in Table 4.20, the assets position of the entrepreneurs belonged to both Pavagada and Madhugiri taluks seemed relatively better. The average value of the assets owned by the individual entrepreneur in the Madhugiri taluk is Rs. 5.16 lakhs while it is as high as Rs. 8.37 lakhs in the case of Pavagada. The assets position of the entrepreneurs who belonged to Koratagere and Sira is far too less. The average value of the assets owned by the entrepreneurs in Koratagere taluk is Rs. 2.78 lakhs and Rs. 2.48 lakhs in the case of Sira taluk.

Liabilities

Most of the sampled entrepreneurs could setup their SSI units with their funds, largely, either borrowed from their nearest relatives or friends. Institutional Finance was very meagre. The entrepreneurs found the procedure for getting financial assistance was very difficult, demanding too many documents and to produce all the required documents which consume considerable time. Keeping this in view, they could mobilise required resources either for capital or for working capital from the friends and relatives at reasonable rates of interest.

The liability position of the entrepreneurs is displayed in Table 4.21 wherein it may be seen that on an average, the liability for an individual entrepreneur worked out for the subdivision as a whole stood at Rs. 57,760. While it varied from Rs. 22,400 for Koratagere taluk to Rs. 86,240 for Pavagada taluk. Very recently in Pavagada taluk headquarters the SSI entrepreneurs have
TABLE 4.21
LIABILITIES POSITION OF SSI UNIT ENTREPRENEURS IN
THE MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Taluks</th>
<th>No. of sample units</th>
<th>Amount (Rs. in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>50</td>
<td>11.20</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>50</td>
<td>28.57</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>50</td>
<td>43.12</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>50</td>
<td>30.63</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>200</strong></td>
<td><strong>113.52</strong></td>
</tr>
</tbody>
</table>

Source: Field survey data.
### TABLE 4.22

ASSISTANCE OBTAINED UNDER DIFFERENT SCHEMES BY THE ENTREPRENEURS IN THE MADHUGIRI SUB-DIVISION

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of the taluk</th>
<th>Assistance came under</th>
<th>Other programmes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>RAP</td>
<td>DIC</td>
<td>TRYSEM</td>
</tr>
<tr>
<td>1.</td>
<td>Koratagere</td>
<td>01</td>
<td>04</td>
<td>01</td>
</tr>
<tr>
<td>2.</td>
<td>Madhugiri</td>
<td>--</td>
<td>05</td>
<td>04</td>
</tr>
<tr>
<td>3.</td>
<td>Pavagada</td>
<td>--</td>
<td>05</td>
<td>01</td>
</tr>
<tr>
<td>4.</td>
<td>Sira</td>
<td>--</td>
<td>10</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>01</strong></td>
<td><strong>24</strong></td>
<td><strong>06</strong></td>
</tr>
</tbody>
</table>

Source: Field survey data.
modernised their rice-mills and Groundnut oil mills with latest technology. Most of the Groundnut oil mill owners have set up decorticators within their units to ensure themselves of the supply of groundnut seeds to be crushed in their units during the most part of the year. This had necessitated the entrepreneurs to mobilise additional resources which lead to push up their liability per entrepreneur to Rs. 86,240.

The financial assistance obtained by the entrepreneurs is presented in Table 4.22. Only one SSI unit owner in Koratagere taluk could avail himself of the institutional financial assistance under the Rural Artisan Programme which was in vogue prior to the establishment in 1978; 24 entrepreneurs under DIC and 6 under the Programme for Training of Rural Youth for Self Employment. In all 56 out of 200 sampled entrepreneurs have been partly, assisted by the Financial Institutions in the Madhugiri revenue sub-division of Tumkur district.