

Socio-Economic Status of Labourers in Micro, Small and Medium Enterprises: A Comparative Analysis

1. INTRODUCTION

India, as a nation has been famous for accepting and nurturing diversity in all phases of its history. The result has been the existence of entrepreneurs since Indus valley civilization. This has led to the setting up of various Micro, Small and Medium Enterprises (MSMEs). Even today, MSMEs are the major contributors to the employment for the masses, growth of the national economy and creating the sense of competition at the grass-root level. MSMEs always represented the model of socio-economic policies of Government of India which emphasized judicious use of foreign exchange for import of capital goods and inputs; labour intensive mode of production; discouraging monopolistic practices of production and marketing; and finally effective contribution to foreign exchange earning of the nation with low import-intensive operations. MSMEs are increasingly operating in international markets. Trade liberalization and the concomitant international competition exert twin pressures on firms. They need to maintain a sustainable competitive advantage owing to the complexities of international trade. New ways are required to compete, as the earlier competitive strategy of differentiation based on price, product or technology is losing value.

1.1 MSMEs IN INDIA

The Micro, Small and Medium Enterprises (MSMEs) have been accepted as the engine of economic growth and for promoting equitable development. The major advantage of the sector is its employment potential at low capital. The MSMEs constitute over 90% of total enterprises in most of the economies and are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports. In India too, the MSMEs play a pivotal role in the overall industrial economy of the country. The MSMEs sector has been contributing about 8 percent of the GDP of the country, about 45 percent of manufactured output and about 40 percent of exports. This, coupled with a high labour to capital ratio, high growth

and high dispersion makes them crucial for achieving the objective of inclusive growth. In recent years the MSME sector has consistently registered higher growth rate compared to the overall industrial sector. With its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession.

As per available statistics (4th Census of MSME Sector) 2006-07, there were 26 million MSMEs in the country which provided employment to about 60 million persons. Of the total, 28 percent were in the manufacturing sector and 72 percent in the service sector. The following table shows important indicators of MSMEs according to the 4th census report, 2006-07:-

Table 1.1:

MICRO, SMALL AND MEDIUM ENTERPRISES 4th CENSUS REPORT, 2006-07

Number of Manufacturing Enterprises	7.3 million
Number of Service Enterprises	18.8 million
Number of Women Enterprises	2.1 million (8%)
Number of Rural Enterprises	14.2 million (54.4%)
Employment	59.7 million
Per unit employment	6.24
Per unit fixed investment	Rs.33.78 lakh
Per unit original value of Plant & Machinery	Rs.9.66 lakh
Per unit gross output	Rs.46.13 lakh
Employment per one lakh fixed investment	0.19

This is the first Census after the enactment of the MSMED Act 2006 and includes, for the first time, medium enterprises. Small and Medium Development Bill 2005 (which was introduced in the parliament on May 12, 2005) has been approved by the President and thus became an Act. This new Act, named as 'Small and Medium Enterprise Development, 2006, has become effective from October 2, 2006. This Act makes a different category for medium level enterprises. The salient features of the act are as follows:-

- It provides the first ever legal framework for recognition of the concept of ‘enterprise’ (comprising both manufacturing and services) and integrating the three tiers of these enterprises i.e. micro, small and medium.
- Under the Act, enterprises have been categorized broadly into those engaged in (i) manufacturing and (ii) providing/ rendering of services. Both categories have been further classified into micro, small and medium enterprises, based on their investment in plant and machinery (of manufacturing enterprises) or in equipment (in case of enterprises providing or rendering services) as under:
 - **Manufacturing enterprises:** Micro Enterprises- investment upto Rs 25 lakh. Small enterprises- investment above Rs 25 lakh and upto Rs 5 crore. Medium enterprises- investment above Rs 5 crore and upto Rs 10 crore.
 - **Service Enterprises:** Micro enterprises- investment upto Rs 10 lakh. Small enterprises- investment above Rs 10 lakh and upto Rs 2 crore. Medium enterprises- investment above Rs 2 crore and upto Rs 5 crore.
- The Act provides for a statutory consultative mechanism at the national level with wide representation of all sections of stakeholders, particularly the three classes of enterprises, and with a wide range of advisory functions, and an Advisory Committee to assist the Board and the Centre/State Governments
- The other features include :
 1. Establishment of specific funds for the promotion, development and enhancement of competitiveness of these enterprises.
 2. Notification of schemes/ programmes for this purpose.
 3. Progressive credit policies and practices.
 4. Preference in government procurements to products and services of the micro and small enterprises.
 5. More effective mechanisms for mitigating the problems of delayed payments to micro and small enterprises.
 6. Simplification of the process of closure of business by all three categories of enterprises.

1.2 ROLE OF LABOURERS IN MICRO, SMALL AND MEDIUM ENTERPRISES

Though the evolution of an industrial proletariat as an outcome of organized industries is of comparatively recent origin in India, yet the significant role of the workers in the field of production cannot be under estimated. Scientific and technological development alongwith the sophistication of modern automation have not yet been introduced in presenting a perfect substitute of labour. It is the core of production in every sphere of production unit, whether it is highly computerized public or private institutions or the larger or smaller business concerns. Labour, besides performing its functions also holds responsibilities of various natures, extends co-operation in numerous capacities and help the management achieve its objectives. The workers, therefore, warrant recognition and an altogether different treatment as they constitute the significant factor in any production process. It may therefore be confidently said that they lead to the industrial success and economic growth, if handled rationally. Further, it deserves to be noticed that labour of these days is not, in any way, unorganized, ignorant and unconscious mass of workers' which may be expected to bow its head before any arbitrary and discretionary decisions and dictates of the employers or management. Labour being an end and means of production, occupies a prominent place in every sphere of our economic life. Industry and labour are mutually complementary. Therefore, the prosperity and growth of one depends upon the progress and prosperity of the other. The need of the time is to abolish the class conflicts which mar the harmony of industrial atmosphere. Indeed, what is required is not merely the maintenance of industrial peace, but the establishment of industrial harmony. Emergence of a disciplined labour force is recognized as a significant determinant of industrial development.

Labour sector addresses multi-dimensional socio-economic aspects affecting labour welfare, productivity, living standards of labour force and social security. To raise living standards of the work force and achieve higher productivity, skill upgradation through suitable training is of utmost importance. Manpower development to provide adequate labour force of appropriate skills and quality to different sectors is essential for rapid socioeconomic development. Employment generation in all the productive sectors is one of the basic objectives. In this context, efforts are being made for providing the environment for self-employment both in urban and rural areas. During the Ninth Plan period, elimination of undesirable practices such as child labour, bonded labour, and aspects such as ensuring workers' safety and social security, looking

after labour welfare and providing of the necessary support measures for sorting out problems relating to employment of both men and women workers in different sectors has received priority attention.

The improvement of labour welfare and increasing productivity with reasonable level of social security is one of the prime objectives concerning social and economic policy of the Government. The resources have been directed through the Plan programmes towards skill formation and development, monitoring of working conditions, creation of industrial harmony through infrastructure for health, industrial relations and insurance against disease, accident and unemployment for the workers and then families. The situation of surplus labour and workers in the organised segment of the economy give rise to unhealthy social practices such as bonded labour, child labour and adverse working conditions.

Agra has a considerable industrial foundation. A lot of manufacturing plants and industry associated to wholesale markets are vital part of Agra. Industries Agra's performing a very excellent job in various fields. Agra also has a number of garment manufacturers and exporters. Agra has also a significant market for the automobile industry. Over 7200 Industrial Units are spread all over the city. Agra city is renowned for the Leather Goods, Handicrafts, Zari Zardozi, Marvel and Stone carving and inlay work. The leather industry is the most traditional and original industries of Agra. MSME-Development Institute (Formerly Small Industries Service Institute), Agra was established in September 1956. The geographical jurisdiction of this Institute has spread over 20 districts of Uttar Pradesh, Agra is one of them. MSME-DI, Agra is extending techno managerial and economic Consultancy services for the development of Micro, Small and Medium Enterprises and provides comprehensive range of industrial extension services ranging from identification of suitable line of production to marketing of the product.

Gautam Budh Nagar is a largely suburban district of Uttar Pradesh state in northern India, part of Greater Delhi region. NOIDA (New Okhla Industrial Development Authority) is the administrative headquarters of the district. It is one of the fastest growing parts of India, as of census 2011 registering 51.52% growth in the preceding decade. Gautam Budh Nagar is an important industrial district of Uttar Pradesh. The city of Greater Noida has evolved as an

epicenter for technical education and industrial proliferation. The city of Greater Noida is India's first ISO 160001 certified city. The importance of Gautam Budh Nagar and its major industrial areas increases all the more because of its inclusion in the proposed Delhi Mumbai Industrial Corridor. The growth of industries in this district has been such that the not restricting to the earlier designated industrial area of Noida, further industrial lands/ areas are being developed in the district in the form of greater Noida, Dadri, Yamuna Express Highway from greater Noida to Agra, a 165 km highway.

Since MSMEs provides employment opportunities to a large number of people in Agra and Gautam budh district, so this has led to a significant role in the development of these districts. Whether we talked about skilled or unskilled, men or women, etc all are engaged in these industrial units. But in spite of absorbing a huge number of people, the condition of workers working here is still deteriorating; this has been due to various socio economic reasons. So therefore it becomes necessary to study about the socio economic condition of labourers in MSMEs in these districts.

2. REVIEW OF LITERATURE

The researcher has surveyed the related literature before planning the present research proposal. The present study has been characterized in the following two heads:

2.1. STUDIES RELATED TO MSMEs

- **Shameel Akhtar (2011)** - The study reveals that there is a positive relation between location, firm and managerial/owner specific factors and foreign market performance. This shows that the firms, which take into account market infrastructure, perceived risk linked with host market, firm's ability to initiate and to produce differentiated products, firm size and technology leadership are good in their performance.
- **Jolanda Hessels (2011)** - His paper focuses on the relationship between environmental sustainability and the financial performance of Small and medium enterprises in terms of

profit development and revenue development. The results suggest a significant positive association between environmental sustainability and firm performance.

- **Arti Singh (2010)** - This paper attempts to provide a glimpse of the Small Scale Industries (SSIs) and the institutional setup for the development and diversification of SSIs. In addition, a brief account of the SSIs in UP in general and SSIs in Varanasi in particular.
- **Milé Terziovski (2010)** - His study mirror large manufacturing firms with respect to formal strategy and structure, and to which we concludes that MSMEs' performance is likely to improve as they increase the degree to which they recognize that innovation culture and strategy are closely aligned throughout the innovation process.
- **Rajiv B Khaire (2010)** - The study states that Small Scale Industries establishments are aware about the different current facets of Human Resource. This is in contrast to the general perception that they are unaware about this function.
- **Ronald Burke & Parbudyal Singh (2010)** - He states that it is imperative that entrepreneur's small business owners and managers act diligently in steering their organizations especially in the current business climate
- **R. Umarani (2010)** – His study stated that the level of perception of the proprietors of micro, small and medium enterprises is moderate and low due to the complexities prevailing to avail loan from the lending institutions.
- **Rafal Serafin (2008)** - Clean Business provides important lessons on how to generate a culture of environmental compliance among Small and Medium Enterprises (SMEs) and how to provide for the development of an environmental industry.
- **Rajesh K. Pillania (2008)** -This paper studies the state of knowledge management in the Indian auto component sector which is one of the micro, small and medium enterprises (MSMEs).
- **Keerti Prajapati (2008)**- analyzed the small & medium enterprises are the major employment provider and contributor to GDP they are burdened with the responsibility of providing employment while at the same time experiencing sluggish growth because of dwindling agricultural sector and globalization. SMEs are characterized by flexibility, small scale, traditional technology, etc. The SME sector targets both domestic as well as global markets. Globalization opens a window of opportunities and threats to SMEs.

- **Milind Kumar Sharma, Rajat Bhagwat (2007)** - This research explores and examines the Performance Measurement System (PMS) development through four select case studies in India. Another purpose of this study is to provide some preliminary insights on why SMEs adopt the PMS. It also aims to identify critical issues that would contribute to the effective performance measurement function in Indian Small and Medium Enterprises.
- **Julien Labonne (2006)** - It concludes, this report clearly suggests that Small and Medium Enterprises and larger firms differ greatly in the way they deal with environmental issues. In addition, it appears that there are a greater number of factors explaining the variation in environmental management, performance and innovation for SMEs than larger firms.
- **Rakesh Basant, R. Nagaraj (2006)**- observed that small firms in India have crucial and seminal role to play, which arises out of both the late industrialization context and the particular historical experience of industrialization that has contributed to the evolution of the industrial structure. Analyzing the Indian reality, in the context of the experiences of Japan and East Asia and the insights of Dennis Anderson (1982) it is argued that existing macroeconomic, trade and exchange rate policies do not favour rapid growth and transformation of small manufacturing. This is worrying because today Indian manufacturing has to compete with many countries but notably the dynamic East Asian.
- **Vidhya Suresh (2006)** - highlights the importance of small industries and their role in the economy and the impact of economic reforms on growth pattern and productivity performance of small scale industries. However this is not to say that there are no shortcomings within the industry or in public policy relating to it. Small industries are faced with numerous problems major and minor which make them either uncompetitive or sick. An attempt is made to address some solutions that can improve their productivity by focusing on the sustainable growth.
- **Shahab Husain and Mohammad Asraf Uddin (2006)** – focuses on the problems in financing and managing small scale enterprises in rural areas of Bangladesh. Small scale enterprises is the industrial or business undertaking where owners, individuals, friend or relatives supplying raw materials, marketing goods & services in analyzing their business it is found the majority are sole proprietorship and family business financed by families, friends, relatives and from own source. In studying the potentials of their business, it is

found that improvement of their socio economic status and living conditions, establish them as economically independent, demand for their products in the local market, availability of raw materials, cheap and available human resources are main influential factors.

- **Uma Kapila (2006)** – explained that the small scale industries sector plays a vital role in the growth of the country. It contributes almost 40% of the gross industrial value added in the Indian economy. It has been estimated that the turnover to capital employed in approx. 4.62. The small scale sector has grown rapidly over the years. The small & medium scale industries need an exclusive umbrella organization to promote productivity and market their products, including exports.
- **Dr. Dalbir Singh (2003)** – examined that SSI sector has been given a distinct entity and it plays a crucial role in the process of economic development by value, addition, employment, generation equitable distribution of national income, removal of regional disparities, wide disbursal of industries, mobilization of capital, up-gradation of entrepreneurial skills and substantial contribution by way of export earning. The SSI sector accounts for about 95% of industrial units in the country and 40% of the value added in the manufacturing sector.
- **Kwaku Appiah-Adu, Satyendra Singh, (1998)** - The results showed a positive effect of customer orientation on Small and Medium Enterprises performance. There are also findings on the varied influences of innovation orientation and the competitive environment on the levels of SME customer orientation. In the light of existing literature, implications of our findings for SME managers, the study's limitations and future research directions are subsequently addressed.

2.2. STUDIES RELATED TO SOCIO- ECONOMIC STATUS OF LABOURERS

- **S.K. Chauhan (2011)** – The study concluded that most of the female bidi workers are illiterate, the owners make discrimination in the given work load to them and since due to the absence of trade union the employers are not careful about the various service conditions provided to them.

- **R.C. Upadhyaya (2011)** – The study emphasized that floriculture offers a wide range of opportunities to women in terms of employment, income generation, empowerment and above all self fulfillment. Since a large number of women in rural areas where floriculture is practiced are already engaged in growing flowers they have an opportunity to increase their incomes by taking to modernization in floriculture.
- **Aparajita Dasgupta, Tushar Kanti Saha, Arindam Butt & Omkarnath Chattopadhyay (2010)**- The study showed that musculoskeletal problems, diseases of the respiratory system and eye, accidents, injuries, skin diseases, stress, insomnia, etc are all common among these worker. The ill health is compounded by various socio economic factors such as poverty, lack of education, poor working conditions, excess working hours, and poor diet.
- **K.S.R.V.S. Chalam (2009)** - His study summarizes various socio economic aspects of working women in the plantation industry. They surveyed on the extent of various facilities provided to working women like crèche facilities, housing facilities, canteen facilities, basic welfare amenities like urinals and latrines.
- **A.S.Ahluwalia (2008)** – His study surveyed on the socio economic conditions of women workers in food processing industries. Various aspects are taken for this study like marital status, employment level, literacy level, maternity benefits schemes, welfare amenities, training facilities, etc.
- **Sumangala Damodaran & Pallavi Mansingh (2008)** – The study emphasized on the key issues that affect the leather industry in terms of their working conditions, wage, social & employment security, organization & negotiating capacity.
- **Tsitsi Marimo (2008)** - revealed that the working condition and labour relations in the security sector leave much to be desired. The decent work deficit highlighted in this paper- underpayment, non-payment, long working hours and poor working conditions require the urgent attention of the social partners, if the broad objectives are to be achieved.
- **D.P. Singh (2005)** – The paper looked into the socio economic status of women workers in the brick industry of Haryana and underlines the fact that these workers have a tough life. While bearing and rearing children remains their primary responsibility they are invariably involved in economic activities for survival, thus playing roles in both production and reproduction.

- **Sukti Dasgupta (2002)** – The study examined the hypothesis that organization of women in the informal economy leads to both tangible and intangible benefits greater income security, employment security and work security along with greater control over their earnings and greater self- esteem.
- **Dunu Roy (2000)** – The study showed that the industry in India moved away from the model of the large scale organized production process. Labour associations have been found it difficult to organize the insecure and distributed workforce. The movement among workers displaced by the relocation of industry in Delhi offers some alternatives to the traditional forms of organizations.
- **Bishwanath Golder (2000)** – This paper analyzed Annual Survey of Industries (ASI) data to find that the employment growth was due to the change in the size structure in favour of small and medium industries and the slowdown in the growth in real wages.
- **Peter Knorringa (1999)** – The result showed that an increasingly overcrowded home based sector of last resort and more precarious employment conditions. Only a small group of artisans who are employed in small scale export oriented factories run by non-Agra entrepreneurs enjoy relatively better employment conditions.
- **Douglas E. Haynes (1999)** – explores discourses about industry by looking at the representations of the past formulated by owners, workers and trade union leaders in the cities of Surat and Bhiwandi. A particular focus here is with the willingness to accept portrayal of past relations as having been ‘like a family’
- **Jan Breman (1999)** – reflected that the Indian worker rooted in traditional structure and culture was blamed for his- the notion of gender was practically absent- lack of commitment. The growth of India’s industrial proletariat was by and large an urban phenomenon. The profile of the emerging workforce is discussed in terms of caste & class, skill formation and employment modalities. Trade unions were instrumental in raising wages, improving conditions of work and dignifying industrial work through labour legislation. But again, this all remained the prerogative of a small segment of industrial workers who found a niche in the formal sector economy.
- **Peter Van Diermen (1997)** – The paper examined labour remuneration in Jakarta’s small scale garment and wood furniture enterprises located in 3 industrial clusters. Workers in small scale enterprises received an equitable wage in comparison with employment

conditions in large firms and minimum physical needs of workers. An equitable remuneration for workers is not so much dependent on enterprises size as the dynamics of the industrial sector. Therefore, government policies should focus on dynamic industrial sectors in specific contextual setting and location.

- **Mel Bartley and Charlie Owen (1996)** – The study concluded that the socio-economic status makes a large difference to the impact of illness on the ability to remain in paid employment, and this impact increases as unemployment rises. Men with chronic illness in manual occupations were not drawn back into the labour force during the economic recovery of the late 1980s.
- **K. Hanumantha Rao & M. Madhusudh Rao (1993)** – The study stated that an enquiry into the socio-economic conditions of the workers is highly useful as it provides an important basis to understand the quality of labour force on the one hand and to make appropriate policy decisions aimed at increasing their performance and effectiveness on the other.
- **Chaturanan Mishra (1993)** – The study concluded that realizing the importance of rural labour in the present day of India all out efforts must be made on priority basis to help them to be organized. By having more and more open discussion of this issue, common approach to rural labour organization have to be evolved.
- **Neeraj Mathur (1993)** – This study showed the socio-economic and health status of workers in the organized electronic industry in India. The average per capita income was Rs 333, indicating a higher socio economic status, compared with the status of the national population, as well as compared with their counterparts in the unorganized sectors.
- **Abdul Gani (1991)** – The study seeks to examine the labour – management relations in the textile industry of Jammu and Kashmir state. The author has examined in depth the working and living conditions of workers, followed by an examination of the degree of their job satisfaction and its associated variables.
- **M. Mustafa (1990)** – This book reviewed about the labour problems and welfare in respect of sugar industry. It concluded that working conditions and hours of work have direct relationship with the successful running of an organized industry, as improvement

of such conditions along with adoption of enlightened policy of management have been regarded as the effective ways to reduce the absenteeism and labour turnover.

- **Theodore Panayotou (1985)** – The author concluded that the scope for further fisheries development is strictly limited by the size of the resource. Improvements in resource productivity and in living standards could come about only if fishery related intervention is complemented by rural development on a broader resource base.
- **V.B. Singh (1973)** – The study focused on the patterns of wages, productivity and savings. The problems studied include workers' social background, recruitment, placement and promotion, job satisfaction, wage situation, issues connected with the extension of price rate and the role of workers' education in providing possibilities and techniques for using wage differentials for generating mobility and increasing productivity.

3. NEED OF THE STUDY

Since MSMEs not only contribute in the national income but it also helps in the absorption of excessive population of our country. MSMEs provide a high rate of employment opportunities to the Indian citizens. The reason behind this is that, even today these small scale industries are not able to mechanize completely, they are dependent on human labours for the completion of manufacturing process. Another reason can we make out is that the maximum population of our country is illiterate and small scale sector is the only sector which can be able to absorb both skilled and unskilled labour.

But despite of the fact that MSMEs helps in providing employment to the people, it has been seen that the working conditions of the workers is in a deteriorating state. There are certain problems faced by the labourers working in these units which are mentioned below:-

- No doubt there has been a substantial improvement in the earnings of workers in the industrial units, but owing to the increase in prices the workers have not benefitted from the increase in earnings. The inflation of this nature and magnitude has seriously eroded the worker's purchasing power and majority of the workers are leading a miserable life.

- The labourers are also illiterate and ignorant and there is absence of democratic spirit among the workers. For generations they have accustomed to be ruled out and have developed a slavish mentality and inferiority complex in them. As such many workers are incapable to take any necessary action against their employers, if they are maltreated.
- Many workers look forward to an ultimate escape from industry and go back to their villages tends to diminish their enthusiasm for efforts to improve their conditions by combined actions.
- Economic causes may be briefly summed up as those relating to wages, payment of bonus, dearness allowance, conditions of works and employment, etc. which the labourers also suffer in industrial units
- The government of India has implemented many labour laws for the improvement of workers working in different industrial units, but it has been seen that the conditions of industrial workers are not up to the mark because the owners have not follow the laws properly.

It becomes significant to study about the socio-economic conditions of labourers in MSMEs in Agra and Gautam Budh Nagar district which have the maximum number of small scale industries. And this has also been observed that the study related to the socio-economic conditions of labourers in respect of MSMEs of these districts is very few. The reason for choosing Gautam Budh Nagar district is that this area is regarded as the epicenter of industrial proliferation and apparently there are a huge number of labour forces available here. And being a part of NCR it is believed that all the labour laws will be properly implemented and the condition of labours their will be better than the condition of labours in Agra District. On the other hand Agra district is chosen on the basis of convenience for the researcher. Therefore, a comparative study of Agra and Gautam Budh Nagar district becomes more fruitful.

The previous study concentrated on the MSMEs' performance and workers' participation in these industries. But there is dearth of good inputs and lack of comprehensive and analytical study in this area. Whatever has been left unanswered by different authors, this research would be an extension to answer of those unanswered questions. The research work done in this field would especially provide an insight into MSMEs.

Keeping in view the above facts, the researcher has chosen the topic entitled **“Socio-Economic Status of Labourers in Micro, Small and Medium Enterprises: A Comparative Analysis”**

4. OBJECTIVES OF THE STUDY

To make the study scientific and systematic, the researcher has made the following objectives:-

Objective 1: To examine the trend of MSMEs in India particularly in Agra District and Gautam budh Nagar district.

Objective 2: To compare the socio- economic status of labourers in MSMEs of Agra and Gautam budh Nagar district.

Objective 3: To examine the problems faced by workers in MSMEs of Agra and Gautam Budh Nagar District

Objective 4: To study the government policies regarding the welfare of the labourers in MSMEs

Objective 5: To extend suggestions for the improvement of conditions of workers in MSMEs.

5. HYPOTHESES

The following null hypotheses have been formulated to find out the socio- economic conditions of labourers in MSMEs:

- 1) **Ho:** Generally there is no significant change in the status of MSMEs in Agra and Gautam Budh Nagar District.
- 2) **Ho:** By and large there is no significant change in socio- economic status of labourers in MSMEs in Agra and Gautam Budh Nagar District.

In addition to these hypotheses the researcher would like to frame some other hypotheses if required during the course of study.

6. RESEARCH METHODOLOGY

For the present study, the following research methodology has been formulated.

6.1 SAMPLE SELECTION

There are about 14 major industries coming under ambit of MSMEs operating in Agra district and 19 major industries in Gautam Budh Nagar District, out of which 5 major industries are taken from each district for the present study.

The MSMEs in Agra and Gautam Budh Nagar District are shown in Annexure (I)

The industry selected and the numbers of labourers selected are shown in Annexure (II)

- The criterion of selection of major industries is on the basis of the total number of registered units and production.
- The criterion of selection of number of labours from the industries selected is done through convenience sampling method.
- The criterion of selection of no. of units selected from the industries is by taking 1% of the total number of units in each industry.

The respondents selected for this study are basically divided into two categories: Firstly, the workers in MSMEs, from whom we will get to, know about their social and economic conditions at their workplace. Secondly, the owners of MSMEs who will inform us about the status of their firm and also tell us about the government policies regarding labour which are implemented by them in their firm.

6.2 DATA COLLECTION

To fulfill the above desired objectives, the study will be conducted by collecting primary data as well as secondary data.

- For the **primary data** the researcher would like to prepare a self structured questionnaire or schedule along with structured and unstructured interviews for the concern parties.
- The information of **secondary data** will be collected from various sources such as annual reports, published articles and documents with the organizations, data from District Industrial Centre (DIC) Agra, Gautam Budh Nagar district, magazines, journals, newspapers, internet, reports, records, etc.
- Since the study will be conducted in Agra and Gautam Budh Nagar districts, personal visits and informal meetings are the basis of present study.

6.3 RESEARCH DESIGN

The following table shows the research design for the present study:

Table 6.1:

Particulars	Description
Geographical Area	Agra and Gautam Budh Nagar District
Research Area	Micro, Small and Medium Enterprises (MSMEs)
Population	14 industries operating in Agra district and 19 industries operating in Gautam Budh Nagar district
Sample (Major industries in MSMEs of both districts)	<p>Agra District</p> <ol style="list-style-type: none"> 1. Footwear industry 2. Machinery parts industry 3. Foundry industry 4. Transformers and its parts industry 5. Rubber and plastic industry <p>Gautam Budh Nagar District</p> <ol style="list-style-type: none"> 1. Hoshiery and garments industry 2. Paper products and printing industry 3. Metal products industry 4. Miscellaneous products industry 5. Repairing and servicing industry
Respondents	<p>Owners : 68 (Agra district - 25 and Gautam budh Nagar district - 43)</p> <p>Labours: 370 (Agra district- 120 and Gautam budh Nagar district- 250)</p>
Method of data collection	Through self-structured questionnaire/ Schedule and interview
Time period	1 year (2012-2013)
Statistical tools and methods	<p>Likert scale, Averages, regression model, econometric tools, test of significance and other appropriate statistical tools as per the requirement of the study</p> <p>Software Package- E- views, SPSS, etc.</p>

Sampling Method	Convenience Sampling
Research Type	Descriptive and Analytical

- **Socio- Economic index** will be constructed to measure the socio economic status of labourers working under MSMEs of Agra and Gautam Budh Nagar District.

The researcher would like to follow the following specific research methodology:-

Table 6.2:

S. No.	OBJECTIVES	RESEARCH METHODOLOGY
1	To examine the trend of MSMEs in India particularly in Agra District and Gautam budh Nagar district.	This objective will be fulfilled by collecting secondary data through various sources
2	To compare the socio- economic status of labourers in MSMEs of Agra and Gautam budh Nagar district	We will achieve this objective with the help of primary data collected, through self structured questionnaire or schedule.
3	To examine the problems faced by workers in MSMEs of Agra and Gautam Budh Nagar District	This objective will be fulfilled by collecting the primary data through questionnaire or schedule.
4	To study the government policies regarding the welfare of the labourers in MSMEs.	We will achieve this objective by collecting primary data through interviews taken from the owners of MSMEs as well as secondary data through various sources.
5	To extend suggestions for the improvement of conditions of workers in MSMEs.	This objective will be achieved by the outcome of the results generated through primary data.

7. CHAPTERIZATION

The study will be organized as following chapters:

Chapter I Introduction

- **Meaning, Evolution and Growth of MSMEs**
- **Role of Labourers in MSMEs**
- **Need of the Study**
- **Objective of the Study**
- **Research Methodology**

Chapter II Review of literature

Chapter III Trend of MSMEs in India

- **Production**
- **Employment**
- **Export**

Chapter IV Socio Economic Status of Labourers in MSMEs in Agra District and Gautam Budh Nagar District

- **Income**
- **Education**
- **Employment**
- **Health**
- **Gender Equality**

Chapter V Problems Faced by Labourers in MSMEs

Chapter VI Government Policies and Labour Laws in MSMEs in India

Chapter VII Analysis and Findings

Chapter VIII Conclusion and Recommendations

ANNEXURES

Annexure (I):

MSMEs in Agra District

SERIAL No.	INDUSTRIES
1	Dairies
2	Vanaspati Oil and Atta Mills
3	Handicrafts
4	Food products
5	Stone works
6	Pharmaceuticals
7	Rubber and plastic products
8	Shoes
9	Workshops
10	Printing
11	Machinery parts
12	Transformers and its parts
13	Foundaries
14	Computer training, photostat and photostudio

Source: District Industrial Centre, Agra

MSMEs in Gautam Budh Nagar District

SERIAL No.	INDUSTRIES
1	Food Production
2	Drinks, tobacco and its Products
3	Cotton Textile
4	Wool, Silk and Fiber textile
5	Jute, Hemp and Mesta Textile
6	Hosiery and Garments
7	Wood Products
8	Paper Products and printing
9	Leather Products
10	Rubber and Plastic products
11	Chemical & Chemical Products
12	Non Metallic Mineral Products
13	Basic metal Industries
14	Metal Products
15	Machinery and parts except electrical
16	Electrical machinery and its parts
17	Transport Equipments and its parts
18	Miscellaneous manufacturing
19	Repairing and servicing industries

Source: District Industrial Centre, Gautam Budh Nagar District

Annexure (II):**Selection of Industrial Units and Labours****Agra District**

Industries	No. of units	No. of units selected (1%)	No. of labours selected
Footwear	1783	18	70
Rubber and plastic products	319	3	20
Machinery Parts	237	2	10
Transformers and its parts	143	1	10
Foundary	69	1	10
Total	2551	25	120

Gautam Budh Nagar District

Industries	No. of units	No. of units selected (1%)	No. of labours selected
Hosiery & Garments	2101	21	100
Paper Products & Printing	660	7	100
Metal Products	498	5	50
Miscellaneous Products	516	5	50
Repairing & Servicing Industries	522	5	50
Total	4297	43	250