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## SOCIAL RESPONSIBILITIES OF ENTREPRENEURS: SMALL SCALE INDUSTRIES OF AGRA REGION

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# Social Responsibilities of Entrepreneurs: Small Scale Industries of Agra Region

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Abstract - Entrepreneurs are the future of any country as they play a vital role in the economic development of any country. Entrepreneurs are availing resources from society. There are so many schemes which are promoting young entrepreneurs in the society, hence society is concerned about them, motivating them but are entrepreneurs responsible towards society. The government of India is highly worried about The Taj Mahal as it is the Diamond of India but the marble of Taj Mahal are turning yellow and cracked for stopping this the Government of India has taken many steps but in spite of all the regulation the condition of Agra is pitiable and it is the responsibility of Entrepreneurs to follow all the regulations and support the government to make the environment clean. In this paper the researchers have made an attempt to investigate social responsibility of small scale entrepreneurs of Agra region. For this purpose two industries i.e. shoe industry and Petha Industry have been selected. Personal interview technique has been used to collect data. This study concludes that the Entrepreneurs of Agra should not only focus on profitability they should also take care of the environment and society as they are getting resources from society only, they are responsible towards society. The small scale entrepreneurs of Agra are not doing any CSR activity so at least they should work in an ethical manner they should provide healthy working condition to the labour, fair and regular pay to the labour and should not dump the wastage on the road or into Yamuna. On the other hand regulations imposed by the government have made the young entrepreneur to shift from Agra to other big cities which is not good thing but when we see Agra as a whole then these entrepreneurs have to follow these rules and regulations for the wellbeing of Agra region.

#### INTRODUCTION

Entrepreneurs are the future of any country as they play a vital role in the economic development of any country. They are also considered as key people for the social development of the country. Entrepreneurs are availing resources from society. There are so many schemes like Prime Minister's Employment Generation Programme, Entrepreneurship Development Programme etc., which are promoting young entrepreneurs in the society, hence society is concerned about them, motivating them but are entrepreneurs responsible towards society. There is no such measure to judge the concernedness of entrepreneurs towards society although for big corporate Companies Act 2013 has a provision of CSR (Corporate Social Responsibility) according to which, companies having net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or net profit of Rs. 5 crore or more must spend at least 2% of their average net profits of previous three years on specified CSR activities. When we talk about small scale industries (SSI) there is no such compulsion but this never means that they have no responsibility towards society. The government of India is highly worried about The Taj Mahal as it the Diamond of India but the marble of Taj Mahal are turning yellow and cracked for stopping this The Government of India has took many steps like no vehicles within the range of 500 meters of Taj Mahal, no use of coal in Taj Trapezium Zone which is 80km radius around The Taj Mahal if not switching to gas based technology then move the industry outside the Taj Trapezium Zone but in spite of all these regulation the condition of Agra is pitiable and it the responsibility of Entrepreneurs to follow all the regulations and support the government to make the environment clean.

In this paper the researchers have made an attempt to investigate social responsibility of small scale entrepreneurs of Agra region. For this purpose two industries i.e. shoe industry and petha industry have been selected. Particularly these industries have been taken as sample because these are the major industries of Agra region. Personal interview technique has been used to collect data, the views of

10 entrepreneurs, 5 from each industry have been collected.

#### **REVIEW OF LITERATURE**

Noor Hazlina Ahmad, Azlan Amran and Hasliza Abdul Halim (2012) stated that business practitioners should realise that ethics, social responsibility, and profit making can go hand in hand; they are not conflicting agendas. Therefore, a challenge for entrepreneurship educators and policy makers is to recognise the distinctive aspect of these practices in SMEs and not to treat the issue of ethical and social responsibility through the lens of large firms' corporate policies but as means for creating small firms' competitive advantage. Mitchell Adrian C, Keith Credo and Lonnie D Phelps (2014) concluded that while business owners and entrepreneurs are often expected to engage in philanthropic giving, there should be no attempt to assume that philanthropical actions equate to or are a necessary component of ethical behaviour. Each should be viewed in its own context. To remain an ethical member of society, the business owner and the business operations should always follow legal requirements and obey social norms to the highest extent possible while remaining an effective business operation. Suhaimi Mhd Sarif concluded that out of 20 entrepreneurs one thirds of the entrepreneurs perceived that the practice of ethics and social responsibility is almost impossible due to the strong influence of external factors. Nevertheless, these entrepreneurs believed that these values are important. Catalina Silvia Mitra and Anca Borza (2011) emphasized that social entrepreneurship can be sustained by the companies through CSR. Corporate social responsibility and social entrepreneurship have distinct conceptual approach, but interferes in the area of recovery of social opportunities. T.Swetha, Dr.K.Venugopal Rao (2013) stated that Indian entrepreneurs are more about overcoming barriers, obstacles, inspiring & surmount in their fields. Entrepreneurship is one of the important segments of economic growth. Innovation is a key factor that an entrepreneur brings in an overall change through innovation for the maximum social good. Dr. Matjaz Mulei, Prof. Emer summarized that in order to be competitive and improve our quality of business and personal lives, solve the pilled-up problems of environmental preconditions of our survival that we have not been able, willing or knowing how to solve. Yanfei Sha (2013) stated that arbitrary system, the expansion of complex and speculation and so on are the root cause of failure of the Chinese entrepreneurs decision-making. The root causes in fact were directly or indirectly related with cognition and sense of entrepreneurs social responsibility.

#### **NEED/ SCOPE OF THE STUDY**

As far as Entrepreneurship is concerned, a number of studies have been carried out but there is no published study to the best of our knowledge and efforts, which has examined social responsibilities of Entrepreneurs with special reference to Agra rigion. Hence, it is essential to conduct a comprehensive study to examine this issue.

There are 5 respondents taken from two selected Industries i.e. Petha and Shoe:

Shoe Units	Petha Units
Metro & Metro	Panchhi Petha Store
Gupta Overseas	Munna lal petha store
Virola International	Gopaldas Petha
Tej Shoes Pvt. Ltd.	Agra Petha Store
Roger Exports Pvt. Ltd.	Petha Store

#### FINDINGS AND DISCUSSION

Major findings are based on personal interviews of 10 entrepreneurs conducted on different issues to fulfill the objectives of the paper.

#### 1. Do you feel some responsibilities towards society?

All of the respondents answered that they have responsibilities towards society. Manager of Metro n Metro said "we are living in society; today what we are, is only because of society. Moreover we are getting resources only from society to carry our business successfully, so off course we have responsibilities toward society. We have to keep our environment safe and pollution free".

## Do you think society will serve you better when you are responsible towards society by your doings?

All of them said yes, if we are concerned about society then society will serve us better and goodwill of our organization will enhance. Like if we will not throw the garbage and impure water in Yamuna then we will get clean water so if we are not keeping our environment clean then environment will not let us clean.

#### Are you involved in any activity which is for welfare of society?

When they were asked about society in general they all said no they are not involved in such activity but they all are concerned about the welfare of their workers. Most of the respondents provide fund to

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their workers when needed like for medical purpose, marriage or any other problem.

## What is your priority social welfare or profits, while taking decisions for your business?

Most of the respondents answered that their basis motive is profit before thinking for society they are concerned about profits. Two respondents answered that society is their priority whatever decision they take, is to be in the favour of society.

## Do you pay your labour on daily basis or monthly basis?

Except one firm all are paying their labour on daily basis and if labour wants they also cut Provident Fund which includes health care. Respondents said the labour do not prefer PF as they thinks that they are getting less amount.

#### 6. Does child labor works in your factory?

All the respondents said no they do not allow any child to work in the factory even the tea seller is not minor. In reality there are many child labour working in Agra, some NGOs are keeping their eyes on these child labour recently on 4th February Justice and Care (NGO) of Delhi caught some child labour during their working hours.

#### 7. Do you provide healthy and hygienic working environment to the labour of your factory?

All the respondents said yes they provide hygienic environment to their labour but when the researchers visited their places they did not feel so, sepecially in petha factory labour was working without proper uniform thay were sweating, they were untidy and there was no proper working environment.

## Do you follow different Acts (if applicable) like Factories Act, Minimum Wages Act, Child Labour Act etc.?

Most of the respondents of petha unit are not even familiar with these Acts but they said they are working ethically. On the other hand respondents of shoe industry specially export oriented units they said they have to follow all these rules and regulations otherwise foreign countries will not buy their product specially US, Germany, UK, Poland and Europe they have their audit committees who check whether the exporting units are following all the Acts, rules and regulations or not. Their audit committee visit exporters' places to verify are they using animal skin, are child labour working there, is their factory harming environment, are their labour satisfied with salary and working environment etc. and if they are selling to small countries they just check ISO and SA8000. In case of shoe units which are selling their product locally, they are following all the Acts, rules and regulations on paper only as the Indian law is not strict there is no proper checking regarding the fulfillment of these laws. These small units just give bribe and get the certificates.

#### Where do you dispose the waste of factory?

The respondents of petha units said that they throw the petha scrap in dustbins which are lying outside their shops and the respondents of shoe units said they handover the wastage to local government who further dispose it and some of the respondents said they sale the wastage to the local people who further use it and they have taken license for this from the government. When we see the reality the picture is something else the some petha units throw the wastage on the road at Nuridarwaja which block the drains due to this people living there are suffering from many diseases like asthma, diarrhea, skin disease etc. and some shoe units dump the wastage on road at Bijlighar which is a very busy road. Yamuna is also getting polluted as some factories' wastage and water is releasing into Yamuna.

#### 10. Is your factory harming the environment anyhow?

Respondents of both the units denied, they said their factories are not harming the environment but the reality is far different as both the units are disposing the wastage on the road and making the Yamuna polluted. Government has strictly banned the petha industry to use coal in their factories as the steam of coal is making The Taj Mahal's marble yellow but some of the petha units are still using coal.

#### think the regulations of 11. Do you Government are hindering the growth of industries of Agra?

Some of the respondents particularly from petha unit said yes the government regulation like using coal, migration from Agra to outside the Taj Trapezium Zone is definitely slowing down the growth of Agra region. There are more than 1000 petha factories in Agra which are giving employment to more than 50000 people and if they migrate it will be a huge loss for them. Respondents from shoe unit also answered that closure or migration of their manufacturing units is a serious threat to small scale industries of Agra.

#### **CONCLUSION**

The Entrepreneurs of Agra should not only focus on profitability they should also take care of the environment and society as they are getting resources from society only, they are responsible

towards society. The entrepreneurs of Agra are not doing any CSR activity so at least they should work in an ethical manner they should provide healthy working condition to the labour, fair and regular pay to the labour and should not dump the wastage on the road or into Yamuna. Agra is the 19th most polluted city in the world for cleaning it the government has took many steps like no vehicles within the range of 500 meters of Taj Mahal, no use of coal in Taj Trapezium Zone which is 80km radius around The Taj Mahal if not switching to gas based technology then move the industry outside the Tai Trapezium Zone but after all there is no drastic change in the condition of Agra. On the other hand if we think from the point of view of an entrepreneur they are in trouble just because of these regulations the young entrepreneurs of Agra are shifting from Agra to Delhi, Calcutta, Mumbai and other big cities which is not a good thing for Agra region. In a way these regulations are hampering the growth of Agra. In the end we can say that every Entrepreneur of Agra region have to follow the rules and regulations of the Government if they are not following yet then they have to follow in upcoming two to three years as the government is going to be strict soon.

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