

A Study on Emerging Industries in Harohalli and Their Contribution for Inclusive Growth

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Abstract

The article explores the role of emerging industries as a viable option for India to take the benefit of globalization for ensuring inclusive growth. The economic performance of India over the last one decade is phenomenal. This leads us to the apprehension that growth may not be inclusive enough. Emerging industries in harohalli and their contribution for inclusive growth through labor intensive industries and creating a competitive business ecosystem of entrepreneurs, managers and workers then gradually moving up the value. Presents the unusual picture of appearing to skip the first phase of being globally competitive in simpler labor-intensive production. India does not figure among these destinations. Out-dated labor regulations, and inspector raj along with higher risk of labor unrest are the areas of concern. There is scope for merger of different reporting and inspection requirements, simplifying and rationalizing the regulatory burden for 'labor welfare' without diluting the real objectives of existing legislation. Certification through credible accredited third parties is an option that offers immense potential. Labor market flexibility offers the scope of leveraging the demographic dividend of India for ensuring inclusive growth.

Keywords: Industries, emerging industries, industrial growth, inclusive growth.

Introduction

Rapid and sustained poverty reduction requires Inclusive growth that allows people to contribute to and benefit from economic growth.¹ Equitable access to economic opportunities is essentially a precondition for inclusiveness of economic growth. Rapid pace of growth is unquestionably necessary for substantial poverty reduction, but for this growth to be sustainable in the long term it should be broad-based across sectors and inclusive of a large part of the country's labour force. This definition of Inclusive Growth further emphasizes the importance of both extensive and intensive growth.

Sustainable development, which can help people around the world live better lives, requires sustained and inclusive economic growth. Economic expansion can create more lucrative job possibilities and boost everyone's financial stability. Sensing its importance the government stressed on inclusive growth and included it in 11th Five year plan.

According to World Bank the term inclusive growth means the rate of growth of the bottom 40% of society and how that compares to the average growth of society. Inclusive growth

is economic growth that is distributed fairly and helps in reducing poverty as per OECD. Inclusive growth includes poor people having access to basic health and education services.

Review of Literature

This chapter provides significant review of literature on the growth of industries and their contribution for industrial growth. Since industrial growth is required for economic and social development of the economy, various research process conducted on industries is reviewed.

Tiwari & Anjum (2012) explored the role of labor reforms and manufacturing industries as a viable option for India to take the benefit of globalization for ensuring inclusive growth. It stresses that growth is not inclusive in India and there is a need for policy changes and labour intensive reforms to reduce inequality. However, it does not mention the impact of growth of industries on financial inclusion, employment opportunities and the environment.

Akio Hosono (2022) discussed strategies for jobs and inclusive growth in countries where extreme poverty is high,

with a focus on sub-Saharan Africa. The potential vehicle for creating a virtuous circle of jobs and inclusive growth is "inclusive finance." It reviews the analytical drivers of the need for inclusive development.

Ahmad & Sanu (2016) presented study is an attempt to critically examine the role of MSMEs in inclusive growth in India based on secondary sources of data. For analysis of data, various statistical tools like percentages, growth rate, Compound Annual Growth Rate (CAGR), bar-diagram, pie-chart etc. have been used.

Sethy (2016) stated that financial inclusion is one of the systems through which Inclusive Growth can be achieved in developing countries like India where large sections are unable or hopeless to contribute in the financial system. This study, proposed an Index of financial inclusion—a multidimensional measure. The Financial Inclusion Index can be used to compare the range of financial inclusion.

Research Gap

Harohalli industrial area has grown rapidly from the year 2005. There is continuous acquisition of land for industrial purpose resulting in phase I and phase II. Though this has resulted in expansion of the companies and increased employment opportunities, its impact on the standard of living of the people and also on the environment is not assessed so far. Further, not much research has been done on the social development of the people in this area due to industrial growth. Therefore, this research is made to assess the impact of the industrial growth on employment opportunities and social development of the region.

Problem Statement

Inclusive growth results in horizontal growth of the economy. It ensures equitable growth in financial inclusion, social development, education, skills and economic development. Economic growth itself will not bring about equality. Its impact must be felt in all related sectors. Moreover, growth of industries does not always result in equitable growth. Harohalli industrial area is a hub of industries using technology and providing employment opportunities to people even from urban areas. It contributes significantly towards income of the state. Impact of industrial growth on other developments help in framing policies and schemes for equitable growth of all sectors and thus narrow down the gap between equality and inequality. Therefore, the present study focuses on identifying the impact of growth of industries on financial inclusion, environment protection and social development and find answers to the following questions.

- How has the growth of industries in Harohalli resulted in financial inclusion of the employees and the local people in the area?
- How has the growth of industries caused any impact on environment?
- How has the growth of industries resulted in improved standard of living of people?

Hypotheses

H01: There is no significant association between Gender and Annual Income of the Employees.

Ha1: There is significant association between Gender and Annual Income of the Employees.

H02: There is no significant association between education and Annual Income of the Respondents.

Ha2: There is significant association between education and Annual Income of the Respondents.

H03: There is no significant association between annual income and moving to cities.

Ha3: There is significant association between annual income and moving to cities.

Significance of the Study

It is presumed that the outcome of this study would assist government agencies to formulate suitable programs and methods to increase the contribution and participation of industries in sustainable growth. It would therefore result in making industries more responsible towards environment and society.

Objectives of the Study

1. To study the growth of new Industrial areas in backward area development.
2. To study the impact of industrial growth on economic, social and demographic environment of Harohalli industrial area.
3. To study the impact of industrialisation on the standard of living of the people.

Questionnaire Design

The questionnaire designed for the employees is a structured questionnaire. For the purpose of collecting relevant information, the questionnaire is divided into three sections. The first section consists of five questions based on demography. The next section consists of questions based on benefits of employees given by the companies. The third section consists of questions relating to their lifestyle and standard of living.

Population Size

As per Government records there are 225 industries functioning in Harohalli industrial area. Most of these are MSMEs. Among these 50 industries have been selected for survey.

Sample Size

Among these organisations, 60 were visited and information was collected from employees;

Methodology

The study is conducted through survey method. For the purpose of the study, primary data is collected through structured questionnaire and secondary data is collected from journals and websites to achieve the formulated objectives. The emphasis of this study is to analyse the growth of industries and also the various components of inclusive growth in Harohalli. There are 225 industries in this area and consist of manufacturing, food and printing industries. Discussion with management of these companies provided much needed input in getting general information about the growth and contribution of industries and in designing the study. Further employees at different levels of the organisations were questioned and their responses were recorded.

Sampling Design

The population of this study consisted of executive officers, employees at different levels who are seniors in their company with a minimum service of five years in their enterprises. A sample of respondents was identified randomly, and a total of 50 respondents were obtained out of the 60 questionnaires distributed resulting in an overall response rate of 83%.

Plan of Analysis

In this study chi square method is applied to analyse and interpret the data.

Field Work

The field work of the project started during March 2022, the researcher in person requested the respondents to fill the questionnaire for the purpose of the study.

Limitations of the Study

1. The present study has the normal limitations of time and funds faced by any researcher.
2. The progress of the companies until March 2023 only has been considered frequent changes in policies by government and advancement in technology may limit the applicability of the findings made.
3. There are 225 companies in this area providing employment to nearly 25,000 employees. Visiting all companies and interviewing all employees is not possible. Therefore, only 68 companies were visited, and fifty respondents of different companies are taken for the study.
4. Though the industry extends until V Phase Ramanagara, the survey and findings refer to only Phase 1 and phase ii and phase iii.
5. The information provided by the respondents was approximate figures and data of the respective industries.

The officers and employees of the various organisations the chief respondents. Data has been collected from officers who have been in the organisation for not less than 5 years. However, the employees of the organisation, forming the major respondents are necessarily not from the same area and may not be in the same organisation for a considerable period of time.

Scope of the Study

The study is made to assess the growth of industries in Harohalli Industrial area. It covers phase 1 and phase II. It makes a survey of 50 organisations mostly limited companies. Companies of different type are taken for research. No two companies carry on the same business. This is done purposefully to avoid repetition of the data and to get access to more wider information.

Data Analysis

Data analysis is made considering 50 respondents. Analysis is made from the questionnaires received after the survey. Chi square method is used to find relationship between the variables and also for hypothesis testing. Tables and graphs are used for interpreting the data.

Demographic Attributes-Respondents

The demographic details of the respondents which describe the nature of the quantitative data collected have a significant impact on the analysis of the data. The respondents' demographic information such as age, gender, annual income and education.

Table 4.1: Showing Gender of the Respondents

Gender	Frequency	Valid Percentage	Cumulative Percentage
Female	16	32.0	32.0
Male	34	68.0	100.0
Total	50	100.0	

(Source: Primary Data)

The table provides a clear overview of the gender distribution within a sample of 50 respondents. It reveals that the sample is predominantly male, with 68.0% of the respondents identifying as male and 32.0% as female.

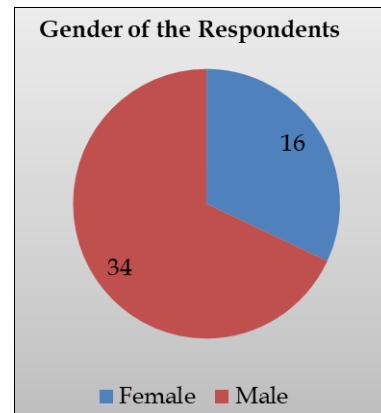


Fig 4.1: Showing the Gender of the respondents

Table 4.2: Showing Age of the Respondents

Age	Frequency	Valid Percentage	Cumulative Percentage
20-30 Years	29	58	58
30-40 Years	19	38	96
40 Years & Above	2	4	100
Total	50	100	

(Source: Primary Data)

This table provides data on the age distribution within a sample of 50 respondents, categorized into three groups: "20-30 years," "30-40 years," and "40 years & above." In the "20-30 years" category, there are 29 respondents, making up 58% of the total sample. In the "30-40 years" category, there are 19 respondents, accounting for 38% of the sample. Only 2 respondents, or 4% of the total, fall into the "40 years & above" category.

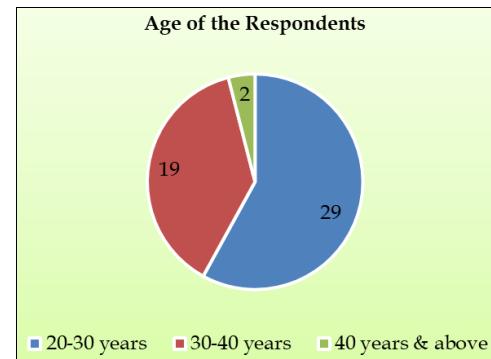


Fig 4.2: Showing Age of the Respondents

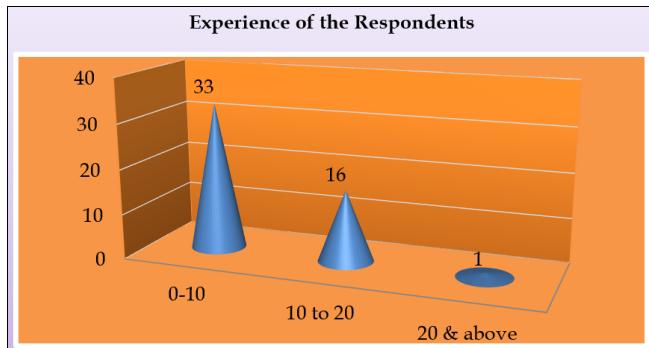
Table 4.3: Showing Experience of the Respondents

Experience	Frequency	Valid Percentage	Cumulative Percentage
0-10	33	66.0	66.0
10 to 20	16	32.0	98.0
20 & Above	1	2.0	100.0
Total	50	100.0	

(Source: Primary Data)

This table provides information about the experience levels of 50 respondents, categorized into three groups: "0-10 years," "10 to 20 years," and "20 years & above." In the "0-10 years" category, there are 33 respondents, making up 66.0% of the total sample. In the "10 to 20 years" category, there are 16 respondents, accounting for 32.0% of the sample. Only 1 respondent, or 2.0% of the total, falls into the "20 years & above" category.

category, there are 33 respondents, constituting 66% of the total sample. In the "10 to 20 years" category, there are 16 respondents, making up 32% of the sample. Only 1 respondent, or 2% of the total, falls into the "20 years & above" category.



(Source: Primary Data)

Fig 4.3: Showing Experience of the Respondents

This data reveals that the majority of the respondents work in technical roles, making up more than half of the sample. Non-technical roles account for a substantial portion (42%), while supervisors constitute a smaller proportion (6%). Understanding the distribution across these departments is essential for assessing the expertise and job roles of the respondents, which can be valuable for targeted analyses or decision-making processes within an organizational context.

Table 4.4: Showing Department of the Respondents

Department	Frequency	Valid Percentage	Cumulative Percentage
Non-Technical	21	42.0	42.0
supervisor	3	6.0	48.0
Technical	26	52.0	100.0
Total	50	100.0	

(Source: Primary Data)

This table presents data on the distribution of respondents across different departments categorized as "Non-Technical," "Supervisor," and "Technical." In the "Non-Technical" department, there are 21 respondents, accounting for 42% of the total sample. The "Supervisor" category includes 3 respondents, making up 6% of the sample. The majority of respondents, 26 individuals or 52% of the total, are in the "Technical" department.

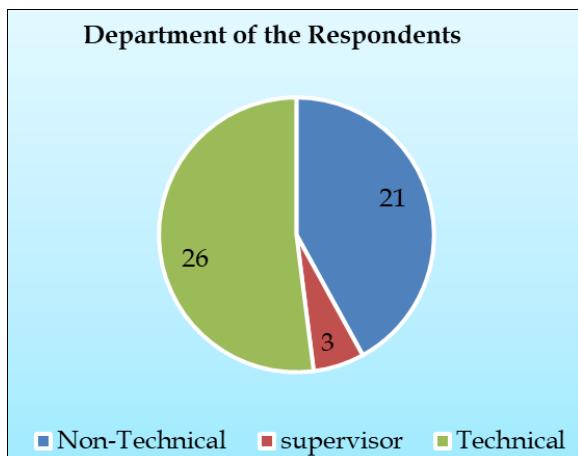


Fig 4.4: Showing Department of the Respondents

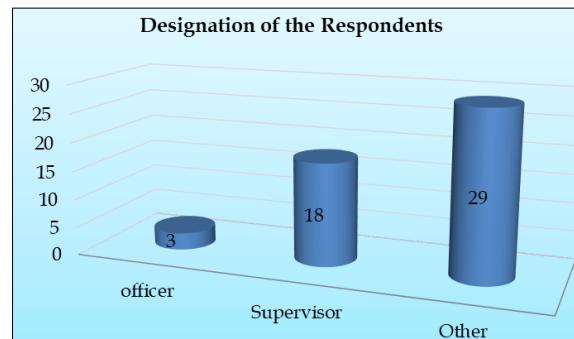
This data illustrates the distribution of employees in different departments within the surveyed population. The majority of respondents are in technical roles, with non-technical roles also well-represented but to a lesser extent. Supervisory positions are relatively scarce in this sample, constituting only 6% of the respondents. Understanding this distribution is crucial for organizations to assess the composition of their workforce and make informed decisions related to staffing, training, or departmental allocation.

Table 4.5: Showing Designation of the Respondents

Designation	Frequency	Valid Percentage	Cumulative Percent
officer	3	6.0	6.0
Supervisor	18	36.0	100.0
Other	29	58.0	64.0
Total	50	100.0	

(Source: Primary Data)

This table presents data on the distribution of respondents based on their designations, categorized as "Officer," "Supervisor," and "Other." There are 3 respondents holding the designation of "Officer," accounting for 6% of the total sample. The "Supervisor" category includes 18 respondents, making up 36% of the sample. The majority of respondents, 29 individuals or 58% of the total, have designations classified as "Other."



(Source: Primary Data)

Fig 4.5: Showing Designation of the Respondents

This data highlights the diversity in job roles within the surveyed population. While supervisors constitute a significant portion, there is also a diverse range of other designations, making up the majority of the respondents. Understanding this variety in job roles is essential for organizations to effectively manage their workforce, allocate responsibilities, and tailor training or development programs to different job roles and responsibilities.

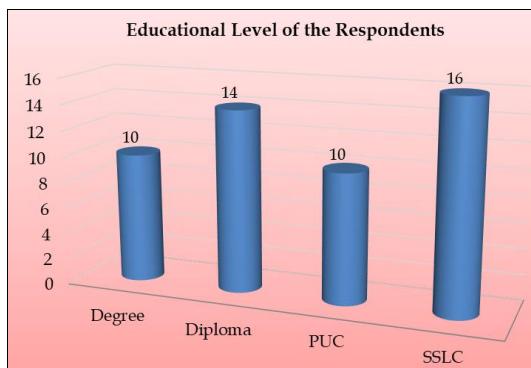
Table 4.6: Showing Education of the Respondents

Education Level	Frequency	Valid Percentage	Cumulative Percentage
Degree	10	20.0	20.0
Diploma	14	28.0	48.0
PUC	10	20.0	68.0
SSLC	16	32.0	100.0
Total	50	100.0	

(Source: Primary Data)

This table provides data on the education levels of 50 respondents, categorized into four groups: "Degree," "Diploma," "PUC" (Pre-University Course), and "SSLC." There are 10 respondents with a "Degree," accounting for

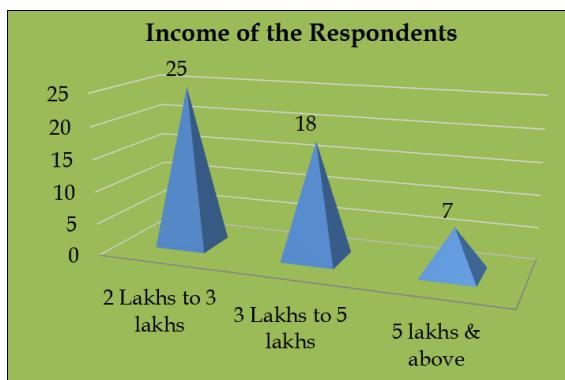
20% of the total sample. The "Diploma" category includes 14 respondents, making up 28% of the sample. Ten respondents, or 20%, have completed "PUC." Sixteen respondents, constituting 32% of the total, have an "SSLC" qualification.



(Source: Primary Data)

Fig 4.6: Showing Education Level of the Respondents

This data illustrates the diverse educational backgrounds of the respondents. While a significant portion have completed SSLC, indicating a secondary school level of education, there are also respondents with higher qualifications such as degrees and diplomas. Understanding the educational distribution is essential for various analyses, especially in contexts where education level may impact skills, knowledge, and decision-making abilities.



(Source: Primary Data)

Fig 4.7: Showing Income Level of the Respondents

This data provides insights into the income distribution among the surveyed individuals. The majority of respondents have annual incomes between 2 Lakhs and 3 Lakhs, with a significant portion falling within the 3 Lakhs to 5 Lakhs range. A smaller percentage of respondents have higher incomes, exceeding 5 Lakhs. Understanding the income levels of the respondents is valuable for various analyses, particularly those related to their purchasing power, lifestyle, and socioeconomic status.

Findings

- Most of the industries are MSME S and enjoy tax holiday benefits
- Most of the industries are II and III units of well established businesses in Bidadi and Ramanagara industrial area. Investment in I unit is more and investment in II and III unit is comparatively less.
- These industries comply well with the quality and minimum wage requirements of government.
- Harohalli industrial area is closer to Bidadi industrial area and so people come from Bidadi here in search of

lucrative jobs as it has comparative advantage

- Most of the respondents are young people aged between 25 to 35 with a maximum experience of 10 years.
- Most respondents are involved in technical jobs. Therefore many of them undergo training in their own premises while some of them undergo training in centers outside their premises.
- Most of the employees are doing technical jobs and the remuneration payable to them is as per the Minimum Wages Act.
- Employees in the companies are mostly on contract and they are from other states.

Conclusion

Rapid growth in transport and communication has resulted in proximity of rural to urban areas. Improvement in metro services and policy changes by KSPCB and KIADB has facilitated smooth functioning of the industries in the area. However companies need to focus more on employees apart from getting benefits from government.

Economic growth after the liberalization has focused primarily on capital intensive industry, and services. However, to ensure inclusive growth we cannot ignore labour intensive manufacturing. Demographic profile of India and productivity gains from manufacturing sector further creates the need to improve the contribution of industry in the GDP. The proposed National Manufacturing Policy is a right step in this regard.

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