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A STUDY OF FIROZABAD BANGLE INDUSTRY

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ABSTRACT - The bangle industry is growing a lot in India and it supplies extensively to whole country as well as exports to the whole world. There are various art exhibitions and Indian merchants have good market there from foreign shoppers. These bangles are also sold online nowadays with the boom in online shopping in India. This industry is on its way to further growth and has a bright future.

As per data available in the economic survey report of 2009-10, it is clear that in India there are 2.7 million small scale units, their gross production is approx. 3, 37,000 crores, out of that total export is 86013 crores and approx. 2.7 million people are getting employment in these micro enterprises. Above facts clearly indicates that contribution of micro enterprises is greater than 40% of total GDP of India. Above facts clearly shows that micro enterprise play important role in smooth functioning of economy. Micro enterprises mainly include the Hosiery of Ludhiana, Scientific instruments of Ambala, Power Looms of Panipat and Handicrafts of Rajasthan are name a few which are contributing in the GDP of our country. From the very beginning these small scale units are suffering with lot of labour problems and in Firozabad bangle industry it is maximum and because of this we are taking sample Firozabad bangle industry for the purpose of our study.

Keywords: *Firozabad Bangle Industry/ SSI; GDP; Economic Development; Employment*

I. Introduction

A Bangle is a type of ornament worn mostly by South Asian women and men in different style. It is most famous in India, Pakistan and Sri Lanka, and is worn in Bangladesh too. The ornament is nothing new, it has a long history. A statue of a dancing girl wearing bangles on the left arm was found in Mohenjo-Daro civilization's site which belongs to around 2500 BC this was followed by several other statues from Indian cities which show the spread of bangles across India.

In India, Moradabad in Uttar Pradesh is said to be the world's largest producer of bangles. Different communities have come up to work together and present a beautiful example of communal harmony in diverse India.

On the other hand, Firozabad in Uttar Pradesh is the largest producer of glass bangles in the world. The Sadar Bazar of Firozabad is most famous for bangle shops. For production of bangles, the latest innovations are tried in the technology for production. Locally developed machinery is employed

which is maintained locally as well. This machinery uses natural gas instead of coal which was conventionally used up till now. Use of natural gas is more eco-friendly and reduces pollution. It is also more effective in heating glass. Each machine costs around Rs. 20,000 to Rs. 70,000 which is affordable even by small industries.

As we know that small scale industries are having great importance in our economy. As per definition is concerned "the small scale industry includes all units of production, factories in which less than 1 crore are invested as fixed capital". In these factories, workers are producing the products with the help of machine or manually. Firozabad is a district head quarter of Uttar Pradesh. Before bangle industry this city was one of the backward city of U.P. because of low population there were less educational institute, medical facility and business. Since the development of bangle industry now people are concerned about education and city is having good medical facility and there is increase in business too as a result slum areas are converted into ideal colony, small units are converted into big micro enterprise and around one lakh labours are getting employment in these micro enterprise. Needless to say that because of bangle industry development the economic life of Firozabad has been totally changed. India is a religious country and an ideal one because of its culture in which women's Shringar is having a great importance and this Shringar is a mix of golden ornaments and her bangle as a symbol of her good luck and long life of her husband. These bangles are broken by the relatives when the husband dies.

II. Objectives of the Study

The whole study can be divided in the following parts. Above study clearly reveals that micro enterprises of Firozabad is contributing a lot in the GDP of our country hence we are considering these micro enterprises as a sample of our case study for analyzing the labour problems, hi a nutshell following are the objectives of our case study.

1. How bangle Industry started in Firozabad?
2. Contribution of Bangle Industry in economic development, in employment, in export and in production.
3. Problems of Bangle Industry
4. Solutions of problems
5. Barrier in solving the problems in connection with new machine, marketing research, change in taste of consumer
6. Importance of Bangle Industry in UP.
7. Reason of Ignorance of labors and its impact on the development of Bangle Industry.

III. Problems of Bangle Industry

Firozabad is a historical city of U.P. having great importance in the development of Indian culture. Because of bangle industry Firozabad is having a name and fame in the world but unfortunately bangle industry is facing lot of problems.

Firozabad has not been able to establish a strong reputation in the international market due to a clear lack of the availability of most modern technology, promotion and a lack of product innovation/variation. There is a continued use of primitive technology in glass melting, forming and shaping. So, clearly, there is a lack of investment in the industry. In order to be competitive in the world market it has to improve its infrastructure, undertake more rigorous marketing and brand building activities. The industry needs to be cost competitive as compared to other markets such as China and Thailand. In fact, the industry for chandeliers and fancy light is facing stiff competition from Chinese market. Before 2009, this market used to account for approximately 30% of the total market share (Rs 80 to 100 Crores), but presently the market has reduced to mere Rs 1 crore. The relative difference in prices and regulatory regime makes India uncompetitive with Chinese products. Both fuel and raw material constitute 35% each of the total cost of operations, the remaining being the labour cost. The fuel, though subsidized, costs Rs 6,500 per 1,000 cubic meters as compared to Rs 3,600 per cubic meter in Gujarat.

Further, a whopping Rs 23 per cubic meter is charged upon exceeding the fixed quota of gas (which comes through the pipeline). Raw material, soda ash is also priced high and has escalated from Rs 8,000 per tone a couple of years ago to INR 13,000 a ton presently. In China, soda ash costs Rs 4,500 a ton. Only a handful of companies such as Tata, Birla and Gujarat Heavy Chemicals make soda ash. There is a clear need for better quality raw material in order to increase the quality of glass production. Besides, Firozabad glass industry has great need for a change in the present practices in the area of batch making, mixing, pot making, preheating and transfer of pot in the furnace, batch charging and discharging the melts, shaping and annealing. Also, there is no specialized design development practice followed in the area of product development by the industry and the value addition is not tuned to market demand. Due to lack of innovative design, modification and variation in the handicraft products, it is also losing the charm in the international market. Therefore, there is great need for design development and quality improvement in the utility and decorative items.

A survey was conducted to find out the solution of their problems. Following are the outcome of that survey.

IV. Findings

1. The unit has progressed at a good pace and keeping its commitment of providing quality product at competitive prices.
2. The unavailability of power supply, poor road infrastructure, transportation and port related problems hinder not only the growth of the firm but also affects competitiveness and efficiency of the firm.
3. Soda ash is one of the important raw materials for the industry and the cartel formed by the 3 major companies providing this raw material reduces the cost competitiveness of the industry as compared to the competing countries.

4. The unit faces several procedural delays in process of exporting its products, which can be detrimental for the growth of the industry especially in the times of global slowdown.

V. Conclusion

In the present globalized environment if we want to compete in both domestic and foreign market fronts then it has to play an important role to make its industry more efficient and competitive. The unit has progressed at a good pace in the past and keeps its commitment of providing quality product at competitive prices. But the high prices paid for important raw material like soda ash and natural gas reduce the competitiveness of the industry. Further, the procedural delays accompanied with high taxation for exports hinder not only the growth of the firm but also affecting competitiveness and efficiency of the firm. The production of chandeliers has been ceasing in Firozabad cluster due to availability of low cost Chinese products in the domestic as well as international markets. The unit perceives an over take by Chinese companies in other glassware products as well if appropriate actions are not taken by the government. In the present competitive world to protect the domestic industry, government has to look at all these problems and help the industry as much as possible, so that the domestic industry can grow and compete in the world market.

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