

A STUDY ON PROBLEMS OF ENTREPRENEURS IN MARKET PERFORMANCE OF GRANITE INDUSTRY.

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ABSTRACT

Dimension stones are distinct, in both mining methods and their end uses, from all other materials derived from natural rock, such as aggregates and granulates, cement materials, crushed stone, or industrial minerals. While aggregates, cement raw materials and crushed stones are almost exclusively used in load-bearing, filling and structural functions in building and construction, and industrial minerals are utilised for multiple purposes in many industries (ceramics, glass, pharmaceuticals, paper, etc.), Dimension Stone materials offer special qualitative features which mean they can perform both structural and decorative architectural functions in building and construction as well as in internal decoration and landscaping projects. Commercially, dimension stones are generally divided into three categories for business transactions: marbles, granites and stone

1. INTRODUCTION

Stones This term mainly refers to rocks with technical features that differentiate them in overall terms from those of the two previous groups. In general, a 'stone' cannot be polished; it sometimes cannot be quarried in large blocks and it may not always have exclusively decorative functions. It might also be used in functions such as urban landscaping projects (private and public), although also granites (e.g. granite cubes) can be used for that. Examples of stones include volcanic porphyry lava or ignimbrite (see Italian "porfido"), some sandstones, slates, some quartzites, some schists, tuffs, lavas, basalt and dolerite, and in general all the naturally cleft stones (as defined below). The dimension stones (DS) belongs to a wider group of natural stone materials which includes several other groups with different features and applications. The other categories of natural stone are building stones, naturally cleft stones, ornamental and decorative stones and construction stone materials.

Building stones Building stones are stone products generally sourced from raw stone materials that can be extracted in artisanal or semiartisanal ways and utilised for building and other construction purposes (walls, housing, cladding, gardening, etc.). They can also be produced by processing the stone waste of other production lines. Naturally cleft stones
Naturally cleft stones are hard and resistant stones that undergo natural splitting due to

structural layering, schistosity or regular jointing (e.g. quartzite, slate, limestone) and that are typically used for paving in both exterior and interior environments (roads, squares, houses, gardens). Like building stones, these can be quarried and processed by hand and by simple mechanical equipment. The stone paving cubes produced by mechanical splitting guillotines belong to this group. Ornamental and decorative stones Any coloured or attractive stone that can be worked to produce small decorative elements for internal decoration can be classified as an ornamental or decorative Stone, for example coloured tuff, ignimbrite, sandstone and limestone. Some examples of ornamental stones can also be defined as part of the DS production group, such as cut-to-size architectural decorative products like columns and fireplaces. Construction stone materials Construction stone materials, including the materials used for cement, are mainly made up of aggregate and sand but are important to consider as part of the overall natural stone value chain, because these materials are generally derived from processing the waste of other natural stone types, including DS. Valuation methodologies in the dimension stones sub-sector The dimension stones mining sub-sector is very particular, with its own rules, features and driving factors.

EXISTING ENVIRONMENTAL SCENARIO

Base line environmental data for various Environmental components were collected in the study area systematically and meticulously as per relevant IS codes, CPCB, MOEF&CC guidelines and as per approved TOR during October to December 2019. For the purposes of this study, the area has been divided into two zones, namely, core and buffer zones. Core zone covers 12.56.5 Ha of Mine lease area. The buffer zone covers an area of 10km radius from the periphery of the ML area. Entire ML area is a patta land with no forest or an agricultural area involved.

AMBIENT AIR QUALITY: No of AAQ Monitoring locations - 6 Season: October to December 2019 Parameter Range of Result (in $\mu\text{g}/\text{m}^3$) *CPCB Limit ($\mu\text{g}/\text{m}^3$) PM10 38.2 – 60.9 100 PM2.5 16.8 – 28.4 60 SO2 BDL(D.L3.0) – 5.6 80 NO2 4.1 – 13.3 80 • CO values in the all locations were found to be below detectable limit (DL – 1144 $\mu\text{g}/\text{m}^3$). • Silica values in the study area are found to be below detectable limit (Detection limit – 0.05mg/m³).

which is well within the prescribed limit of 5mg/m³ *CPCB Limits for Industrial & Residential category (2009 Notification) 3.3 WATER QUALITY: No of Samples – 5 Bore well Water Samples October to December 2019 Parameter Bore Well water samples IS 10500: Acceptable Limits IS 10500: Permissible Limits pH 6.67 - 7.35 6.5 - 8.5 No Relaxation Total Dissolved Solids, mg/l 702 - 885 500 2000 EC, $\mu\text{mhos}/\text{cm}$ 1157 - 1462 - - Chloride (as Cl), mg/l 191 - 230 250 1000 Total Hardness (as CaCO₃), mg/l 282 - 365 200 600

LAND ENVIRONMENT: The entire proposed mine lease area of 12.565 Ha is a patta land with no forest or agricultural areas involved and is in project proponent's possession. All the lease area shall be used for mining and allied activities including green belt development. There are no habitations within the lease area and hence the question of rehabilitation does not arise. Landuse pattern of buffer area studied through satellite imagery show that the

cumulative agricultural area of three major sub-categories under “agriculture” such as Crop land, Fallow land and Plantation within the buffer area is estimated to be nearly 41.3%.

Crystalline igneous complex rocks cover major area of Tamil Nadu. These igneous rocks, 2900-6000 million years old, cover more than 75% of the State. A vast stretch of sedimentary rocks are formed from the crystalline igneous complex namely Gondwana rocks (290 million years old). Cretaceous rocks (140 to 100 million years old), Tertiary rocks (60 to 70 million years old) and Quaternary rocks (1 million year old) are found on the eastern side extending from north of Chennai up to Kanya Kumari. The crystalline complex consists of a wide range of rocks, the bulk of them being granite and chmockite constituting the Western ghats extending towards Kerala on the south and towards Kanya Kimiari. The important mineral of commercial value in Tamil Nadu, granite, is abundantly available in Salem District (Dr.M.Suryakumar, 2018).

REVIEW OF LITERATURE

Consumers are aware of the large number of the Brands when making buying decisions, and Brands with higher awareness levels are more likely to be part of the final decisions .Brand awareness is also said to influence the brand’s perceived quality and market potential **(MacDonald & sharp, 1996 referred to in Antonia Malt, 2002).**

When a company is starting to export to new country managers should think “It is not what we know but who we know”. Facts about the country’s markets are important to know, but even more important is to have contacts and relations with important people in the new market area to be able to start business operations there. Before a company starts creating relations to start doing business they should make research on what they need to know on the certain markets. In a market analysis there are criteria that together determine whether the market area is suitable for certain exports. **(Horchover 1997, p. 14.)**

Research and Analysis of New Markets

There are several different measurements to determine countries’ economic situation. One often used measurement is to find out the electricity output per million people to be able to classify the development stage. Naturally competitors are important to explore both in value and quantity. An exporter should find out which products of its own range are manufactured locally and especially in what standard, range and price. Currency is also one of the most important aspects, particularly its stability and convertibility. Social conditions often explain customers’ buying behavior and business culture. **(Horchover 1997, p. 15.)**

A competition levels both locally and internationally will help to make decisions on strategy and pricing. Risk factors such as payment, government or legislative can set a risk on success and those factors should be considered carefully to be able to overcome them in case something appears. Distribution is also closely related to core operations in exports and its profitability calculations. **(Horchover 1997, p. 25.)**

“The external context of strategic decisions is very wide-ranging. It can include governments, competitors, technological and social change and the dynamics of buyer and supplier markets. One way for managers to analyze their exposure to the set of potential contextual factors is through the application of a PESTanalysis.” **(Thomas 2007)**

Companies can operate in various external conditions, typically analyzed in terms of the PEST acronym that summary the five most basic environmental forces such as political, behavior, economic, social and technological. Political forces appear in forms of government regulations and actions, legal issues and international agreements.

Triginelli (2011) claimed that worker practices, knowledge and experience are the foundation of the work organization in the marble and granite industry and that these must be developed along with formal education and technical training in order for the worker to perform his/her tasks, because a lack of planning might increase the risk of on-the-job accidents.

Behavioral aspects mean usually considering customers and their interaction with products. Economic forces originate from the consumer and the structure of markets. Those products and services that change the ways in which consumers purchase goods and services will be counted as economic forces. Also negotiations over alliances and scale and scope of operations result from economic forces. (**Cooper 2000**)

The Purpose of the Study

The purpose of the research was to examine whether India can be a more profitable market area for Finnish stone companies in future. India is known for its stone industry and it is one of the biggest exporters of natural stone in the world. The economic growth in India can be seen in construction business and many surveys predict that India and China will be Asia's giants in future. Finnish stone companies export 90 per cent of the stone production and have a strong experience of the international business environment. The research focuses on the view how potential Indian markets will develop for Finnish exporters in future? The theoretical information was gathered from books, databases, newspapers and magazines. The main goal of the theory part was to introduce the stone sector and describe Indian and Finnish stone business. PESTE- and SWOTanalyses were used to examine and process the theoretical information gathered. The empirical part was done by interviewing a Finnish representative and conducting a survey among Indian representatives. The Theme interview face-to-face with the Finnish businessman provided perspective of Finnish exporters. Open-ended questions in an e-mail survey on the other hand discovered the Indian point of view of the market situation there. Comparing Indian and Finnish professional perspectives made it possible to examine both perspectives on a deeper level and widen understanding of the market situation in India

OBJECTIVE OF THE STUDY

- To study the performance of granite industry in terms of production, investment and employment.
- To find out the positioning strategy of the organization
- To determine the Source through which customers come to Know about Granite Stone.

RESEARCH DEVELOP OF THIS RESEARCH

This study intends to use both prime and secondary source of information. Primary data have been collected from the people who were engaged in granite industries through Interview cum schedule technique.

Secondary data also composed from a mixture of books, journals, magazines, newspaper and website etc Sample Size and Sample Techniques • Sample Size: 322 Respondents. (Sample Size Calculator) • Sample Unit: Granite Industries Association In Salem District. (Thirteen Taluk) • Sampling Method: Snowball Sampling Is Adapted For My Research. Tools Used For Percentage Analysis, Chi-Square Test And Henry Garrett Ranking. Data Test and Elucidation • Labour Problems Of Currently Running Industry – Chi

ANALYSIS

The concern of using granite products available in the market is the external radiation dose from them. Activity concentrations of the natural radionuclides (Bq kg^{-1}) of a large number of granite samples from different countries measured by Chen and Lin (1996) and by Pavlidou *et al.* (2006) are shown in Table 1.1.

Reference	Nuclide	^{226}Ra	^{232}Th	^{40}K
Chen and Lin, 1996	Mean	42	73	1055
	Standard deviation	35	51	357
	Range	0.2–160	< MDA–253*	< MDA–2355
Pavlidou <i>et al.</i> , 2006	Mean	64	81	1104
	Standard deviation	53	79	407
	Range	2–170	< MDA–354	49–1592

CHI SQUARE**NULL HYPOTHESIS (H₀):**

There is a significant difference between the duration of dealing with granite stone products and the most preferred brand by the consumers to analysis the market potential area.

ALTERNATE HYPOTHESIS (H₁):

There is no significant difference between the duration of dealing with stone products and the most preferred brand by the consumers.

TABLE 1.2

Duration (years)	Response					Total
	G 10 Black	Rendadi Black	Paradiso	Red Multicolour	Raw Slik	
0-1years	8	5	4	8	3	28
1-2years	13	6	9	7	5	40
2-4years	14	5	8	3	4	34
4-5years	5	6	4	2	2	19
Above 5	5	6	7	5	6	29
Total	45	28	32	25	20	150

TABLE 4.22

O	E	O-E	(O-E)²	(O-E)²/E
8	2.22	0.78	0.61	0.27
5	2.00	2.00	4.00	2.00
4	2.67	1.67	2.79	1.04
8	1.33	0.33	0.11	0.08
3	1.78	0.78	0.61	0.34
13	2.00	2.00	4.00	2.00
6	1.80	1.20	1.44	0.80
9	2.40	0.60	0.36	0.15
7	1.20	0.20	0.04	0.03
5	1.60	0.40	0.16	0.10
14	2.89	1.11	1.23	0.42
5	2.60	1.60	2.56	0.98

8	3.47	0.53	0.28	0.08
3	1.73	0.27	0.07	0.04
4	2.31	0.31	0.10	0.04

5	1.78	0.12	0.01	0.005
6	1.60	0.60	0.36	0.22
4	2.13	0.13	0.02	0.009
2	1.07	0.07	0.005	0.004
2	1.42	0.58	0.34	0.24
5	1.11	0.11	0.01	0.009
6	1.00	1.00	1.00	1.00
7	1.33	0.67	0.45	0.34
5	0.67	0.33	0.12	0.18
6	0.89	0.11	0.01	0.01
Total				10.387

Degree of freedom = $(R-1) (C-1)$

= $(5-1) (5-1)$

= 16

Table value at 5% level = 26.296

Calculated value = 10.387

INFERENCE

The calculated value is less than the table value. So, the hypothesis is accepted. Hence, it is concluded that there is a significant difference between the duration of dealing with granite stone products and the most market potential area to take less risk to sell the stone and also the brand by the consumers.

CORRELATION ANALYSIS

Objective: Find the co-efficient of correlation between the Brand of Granite stone and potential of the retailers work loads of the employees.

x(opinion of the employees)	1	24	46	77	2
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y(opinion of the employees)	17	66	10	26	31
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Solution:

Mean of x = $\bar{X} = 150/5 = 30$

Mean of y = $\bar{Y} = 150/5 = 30$

x	y	dx = x-X	(dx) ²	dy = y-Y	(dy) ²	(dx)(dy)
1	17	-29	841	-13	169	377
24	66	-6	36	36	1296	216
46	10	16	256	-20	400	320
77	26	47	2209	-4	16	188
2	31	-28	784	1	1	-28
Total		0	4126	0	1882	1073

Formula to be used is as follows

$$r = \frac{\sum (dx)(dy)}{\sqrt{\sum (dx)^2 \sum (dy)^2}}$$

$$r = \frac{1073}{\sqrt{4126 * 1882}}$$

$$r = \frac{1073}{2787}$$

$$r = 0.385$$

Inference : Brand Potential is the area of substantiality in the process of retailers which have less knowledge

CONCLUSION

- It found that the market potential is wide in Salem, Krishnagiri area and surrounding place. Most of the respondents are aware of brand, granite stones services and the customers are satisfactory when compared to competitors.
- After analyzing all these factors it is intended to suggest that sum of the development factors like increasing quality, better pricing and promotional strategies will increase more sales.
- Indian people have the entrepreneurial spirit and therefore in business they behave in a very active and enthusiastic way. Many times Indian business partners start to negotiate about pricing and contract terms again during the deal. It is important to understand the cultural reasons behind this certain behavior.

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