Chapter - I

Introduction and Methodology
CHAPTER - I

INTRODUCTION

Handloom industry in India is an ancient cottage industry with a decentralised set up. The industry is an age old source of livelihood for millions of people in the country. About 10 million people directly depend on the industry to eke out their livelihood¹, while many more millions of people depend upon subsidiary occupations connected with the handloom industry. The share of employment provided by the handloom industry in the total decentralised sector is about 5.5 percent. Thus, the industry constitutes one of the major sectors employing the largest number of persons next only to agriculture. In regard to production, industry is meeting one-third of the total cloth requirements of the masses in the country².

Handloom industry is perhaps the most important one among the hundreds of small scale and cottage arts and crafts

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that have survived in the present day in India. It is remarkable that in some cases it has been wiped out in most of the countries where modern textile industry has been established. But still it occupies a strategic position in India's socio-economic set up. The industry is not only ancient but its change is unique, in the sense, that in no other country in the world, where hand weaving is in vogue on such a nation-wide basis. And no where else could the handloom industry so valiantly withstand the on-slaught of and stiff competition from the giant textile machines as in India.  

Even in the wake of the mobility, growing urbanisation, scientific and technological revolution, India's time-honoured handloom industry has remained unscattered preserving the ancient traditions of weaving and carrying out reasonable improvements in the use of tools and accessories. The Indian weavers are not only providing enough cloth to meet the internal demand but also exporting numerous artistic varieties to the highly industrialised countries of the world.

Indian economic development has to be viewed in the light of the socio-economic factors, preservation of the traditional skills of the people and the use of the


available resources. Handlooms have a great potential in this regard as they hold the key not only for sustaining the existing craft persons but for providing gainful employment, both full-time and part-time, to increasingly larger sections of the economically poor and dispossessed weavers. Village and cottage industries to which the handloom industry belongs are oriented towards balanced socio-economic development of our country owing to the built-in mechanism that encourages weavers and craftsmen to seek an honourable place in the society. Handloom industry occupies a place of importance in our country's economy chiefly by virtue of its employment potential, production and export orientation.  

Clothing is one of the primary needs of mankind. This need has necessitated the invention, and in course of time, the development of the handloom industry. The importance of the industry in our country can be gauged from the fact that it meets one-third of the total cloth requirements of the masses.  

SIGNIFICANCE OF HANDLOOM INDUSTRY IN RURAL ECONOMY

In India, since time immemorial, agriculture and handlooms have existed side by side in every nook and


corner of the country. Since independence self-sufficiency has been one of the goals of India's planned economy. Self-sufficiency of the national economy can however be built only on the edifice of the self-sufficiency of the rural units, namely, the villages which constitute India. Village and cottage industries to which the handloom industry belongs are concerned towards balanced socio-economic development in Indian economy due to the built-in mechanism that encourages to help weaving craftsmen in seeking an honourable place in the society. Handloom industry has a crucial role to play in supporting and strengthening the self-sufficiency of the rural economy. Indians will have to ensure that the basic minimum clothing requirement of the rural population, as far as possible, are met by the cloth produced on handlooms which along with agriculture constitute the core of the self-sustaining rural economy of India.

PRESENT PLIGHT OF THE HANDLOOM INDUSTRY

The handloom industry has great socio-economic importance in Indian economy. In recent years the socio-economic life of weaving communities is deplorable. A study brought about by the 'Frontline' investigation team in 6 Dec. 1991 observed that the handloom sector has been

playing an important role in providing livelihood to several lakhs of people; the conditions of the weavers are precarious; most of them being semi-starved and ill-clad. The average earnings of a weaver household is estimated at Rs.20 per day and they did not get even this pitifully small income all through the year. Handloom weavers formed a significant component of the rural poor, the majority of them falling into the lowest income-expenditure group.

Though the Government of India has taken several steps for the development of handloom industry in Five Year Plans, no appreciable impact could be made to improve the working conditions of the weavers. The industry has been suffering from the problems of lack of organisational strength, shortage of basic inputs like yarn, finance, weak cooperative structure, absence of adequate marketing facilities, unhealthy competition from power-looms and large scale effective measures not having been taken to remedy the basic ills, the industry is still in a weak and un-organised state.

In recent years articles are published in daily news papers on the problems of handloom industry in Andhra Pradesh. The weavers are, at present, economically below


the poverty line; the average monthly earnings of a weaver's household is being less than Rs.600. The articles pointed out that there has been unprecedent slump in handloom cloth trade in Andhra Pradesh State. As a result of which large number of weavers have stayed out of jobs while under-employment is permeating their lives for most part of the year\textsuperscript{12}.

In recent years the co-operative movement relating to handloom industry do not seem to be rosy. Many weavers' co-operative societies are either defunct or dormant due to heavy losses sustained by them in business, or due to lack of people competent enough to manage them efficiently. As a result of this, the industry has fallen into a severe crisis in the year 1991. The weavers' community has been suffering from starvation deaths; and about 72 starvation deaths were reported in the News Papers to have occurred in Andhra Pradesh only.

REVIEW OF LITERATURE

The survey of literature plays an important role in establishing the back-drop for any research work in social sciences. It is felt that justification of the present study can be clarified by reviewing the available literature on the subject. Therefore, an attempt has

\textsuperscript{12} B. Chandra Sekhar: "Plight of handloom weavers and starvation deaths", Eenadu, the daily Newspaper, 3 Nov. 1991, p.3.
been made to review the available literature on the subject to find out gaps in research before finally selecting the present topic for study.

This section presents a review of literature problems relating to the handloom industry. Indian Universities have done several studies on the problems of the handloom industry, here the researcher compiles a few studies which have focussed on the problems of Handloom Industry. Moreover, in the recent years the industry fell into deep crisis. Several newspapers and journals published the current problems of the industry. Here the researcher tries to know the problems of the industry in brief, which are given at the end of this section.

The study of Prof. N.G. Ranga relating to a survey conducted by him during 1925-'26 over a period of six months in different parts of South India included the present Andhra Pradesh. The unique contribution of the study was that it gave a fairly good account of the important handloom centres of production and analysed the nature of economic organisation structure of the markets. Pattern of production, the study was the first authentic account of the structure of the handloom industry in Andhra Pradesh.

R.G. Kakade's study analysed the socio-economic conditions of weavers of Sholapur city was undertaken by the Gokhale Institute of Politics and Economics, Pune, at the invitation of the Sholapur Municipality in 1939. The survey was undertaken with a view to study the organisation of the industry in Sholapur, one of the biggest centres of handloom weaving in India, in a comprehensive and detailed manner and to study the sociological aspects of the communities engaged in the industry.

Sahai in his study 'Handloom Industry in North India', identifies the problem of competition from power-looms and organised mill sector. He felt the need for introducing modern techniques of production in handloom industry. He suggested that weavers should learn modern techniques relating to handloom industry to get continuous employment and to earn more through handloom weaving; weavers must learn modern designs. To give training in this field to them, the Government must open training centres in the States and appoint teachers to teach all the aspects of the modern designs. Special courses should be conducted in the villages where the weavers are highly

concentrated and bring more and more weavers to those classes and give them material free of cost like design books and other related instruments to the weavers.\textsuperscript{15}

The Council of Scientific and Industrial Research took up an extensive survey on handloom industry in 1957. The study focussed more attention on the technical aspect of the industry viz., winding, warping, sizing, bleaching, types of looms etc. It observed that considering the magnitude of the industry and its problems, the assistance provided is inadequate and the need for more substantial help becomes apparent.\textsuperscript{16}

David Anterro Aloysins\textsuperscript{17} in his study identifies various aspects of the industry. The main aspects of the industry is problems relating to the production side and marketing side. He observed that the cost of production is the cause of increase for finished products. The producer fixes very high rates to the handloom products. Hence the researcher feels that the Government should supply the raw material to the weavers at subsidised rates.

\textsuperscript{15} Sahai, Biswambhar, Handloom Weaving Industry in North India (Ph.D. Thesis), Agra University, 1956.


\textsuperscript{17} David Anterro Aloysins, A Study of Handloom Weaving in Malabar and South Canara Districts (Ph.D. Thesis), Bombay University, 1960.
Abdul Zahir in his study enquires into the problems of handloom industry in Varanasi. His work is mainly focussed on the operational problems of the industry. He observed in his study that the handlooms have been suffering from lack of raw material so they can be supplied necessary raw material and open supply centres with Government intervention and provide raw material directly to the weavers at subsidised rates.\(^{18}\)

Nanekar\(^{19}\) in his study argues that unless the production of handloom industry is increased substantially nothing tangible can be gained by solving other problems. The latter may be give marginal benefit to the weavers and may bring about some stability in their incomes. The longterm and significant improvement in the earnings, however, depends on the productivity of labour, a problem ultimately associated with the technique of production.

Somappa M.,\(^{20}\) observed that the Government neglected the industry so far. The Government gives priority to develop the agriculture sector. The concentration of the


Government is to develop the mill and powerlooms, as a result of this, the handloom industry has fallen into deep crisis. To develop the industry the Government should spend huge resources on handloom sector.

Sinakandhan S.K.,\textsuperscript{21} identifies various problems regarding handloom industry. The weavers have been suffering from lack of proper organisational support, and production of the handloom cloth is continuously declined because of the hike in the raw material cost; the industry is also facing the problem of lack of marketing facilities. These are the major problems of the handloom industry. The author comes to conclusion that the Government should give priority to allocate resources in this sector.

Rao C.S.,\textsuperscript{22} in his study observe that the employment in handloom industry is declining. In the recent years the weavers are trying to change their profession and go to alternative works. Because of inadequate financial support from Government the weavers are facing the problem of hike in the raw material cost, scarcity of the necessary inputs, lack of proper production marketing, and financial facilities.

\textsuperscript{21} Sinakandhan S.K., Handlooms Problems, Hindu 1 Sept. 1972.

Yagaiah T.,\textsuperscript{23} observes that handloom industry is facing the problems of supply of yarn, raw-material and marketing. To develop the industry in future the Government should give priority in Five Year Plans and improve the marketing of handloom cloth, supplying the yarn and related raw material at cheaper rates.

Angadi V.B.,\textsuperscript{24} expresses that the handloom cloth is facing the problem of proper marketings. The powerloom cloth is cheaper than the handloom cloth. The ordinary consumer prefers powerloom cloth to handloom cloth because of this, it has become very difficult for marketing the handloom products. It is therefore, necessary that the Government should allot certain exclusive items for handloom sector and implement the reservations of handloom items.

The National Institute of Rural Development made a critical study\textsuperscript{25} on handloom industry and concluded that the New Development Plan for handloom sector is in the

\begin{itemize}
\item \textsuperscript{23} Yagaiah T., "Handloom Industry in India", Yojana Vol. XXIII, 16 Dec. 1973, p.23.
\item \textsuperscript{24} Angadi V.B., Handloom Industry and Issues Relating to Reservation, 'Southern Economist', Vol. XIV, No.9, 1st Sept. 1975, p.10.
\item \textsuperscript{25} National Institute of Rural Development of Handloom Sector - Prime Minister's 20 Point Programme for Economic Development, Hyderabad, 1977, p.1.
\end{itemize}
preliminary stages of implementation. It also opined that by considering the magnitude of the problems encountering the handloom sector, the organisation of the commissioner for handlooms requires to be expanded with Regional Offices in the states where the industry is concentrated.

A study was brought out by the Commerce Research Bureau in 1975 observed that though the handloom sector had been playing an important role in providing livelihood to lakhs of people, the conditions of the weavers were precarious, most of them being semi-starved and ill-clad. The average earning of a weaver was estimated at Rs.3.50Ps. per day and they do not get even this pitiable small income all throughout the year. Handloom weavers formed a significant component of the rural poor; the majority of them falling into the lowest income-expenditure groups.

According Rao S.J. the handloom industry is facing the problem of scarcity of yarn as India exports cotton to the foreign countries. The essential requirement of the industry is providing sufficient yarn to our handloom weavers. It is necessary to ban the exports and send cotton to powerlooms and large scale sector and


opening more and more co-operative spinning mills to meet the yarn requirements of our country.

Varada Raj G.,\textsuperscript{28} emphasised that our country was capable of producing 100 per cent yard to our handlooms. But our Government's policy regarding yarn (cotton) exports to foreign countries should not create scarcity of yarn. It is necessary to spend more resources on our co-operative spinning mills. The capacity of these mills should be increased to provide sufficient yarn to meet our yarn requirements. The author emphasises that our yarn distribution system is not favourable to handlooms. Because a significant per cent of yarn went to large scale mills and powerlooms. The author feels that we have to reorganize our distribution system and allot huge quantity of yarn to handloom sector.

Sharada M.,\textsuperscript{29} fell that handloom weavers are facing the problem of unemployment and under-employment. They have been living below the poverty line. The weavers are facing the problem of scarcity of yarn and necessary inputs. The marketing of handloom products is very difficult compared with that of mill made cloth.

\textsuperscript{28} Varada Raj G., Distribution of yarn to decentralised sector, Commerce Bulletin, 13 Oct. 1979, p.41.

\textsuperscript{24} Sharada M., Problems of Handloom Weavers, Laghu-udyog Samachar, 1979, 4 (2).
Arulanandum,\textsuperscript{30} in his study, observed that various Government policies towards handloom industry was a bundle of contradiction. He rightly observed that the Government have spent huge resources to agricultural sector and other large scale sectors, and neglected the handloom sector. It is the cause for the main problems handloom sector. The researcher felt that the Government should give priority to prepare plans and allot huge resources to handloom sector.

According to Sharma D.S.,\textsuperscript{31} , the Government made several programmes for the benefit of the handloom weavers. But the weavers didn't receive any benefit from any sources, because of the middlemen and Master-weavers have knocked away all the benefits. They could get yarn and raw material for subsidised rates in the names of weavers. The Government introduced a photo-pasted-identity-cards of the actual weavers to eliminate middlemen.

Chakraborthy S.M.,\textsuperscript{32} in his study felt that the

\begin{itemize}
  \item \textsuperscript{30} Arulanandum M.A., A Study of Handloom Industry in Tamil Nadu (Ph.D. Thesis), Madhura University, 1980.
  \item \textsuperscript{31} Sharma D.S., Strategy to boost handloom industry in North Eastern Region "Economic Times" 13th Dec. 1980.
  \item \textsuperscript{32} Chakraborthy, S.M., Standardisation in Handloom Industry, Southern Economics, Vol.XX, No.18, 15th Jan. 1982.
\end{itemize}
quality of the handloom products is declined, because of the hike in the raw material the weavers used cheaper quality of colours, as a result of this the consumers prefer mill made cloth, and numerous weavers lost their employment and kept their looms idle. To avoid this type of situation the Government should supply the raw material at subsidised rates.

The study Subrahmanyam,\textsuperscript{33} assumes significance because it is one of the most important studies available on handloom weavers in Andhra Pradesh in recent times. It throws light on many aspects of handloom weaving and weavers in 'East Godavari District'. The study has thus thrown light on many aspects of handloom weavers. However, the study is incomplete in certain aspects. Firstly, it failed to recognise the master-weavers system as an alternative form of organisation which arose because of certain peculiar circumstances. Secondly, the study treats the nature of the relationship between weavers and master-weavers and dependence of the former on the latter is similar to that of bonded-labour with their masters. But, nowhere in the study bonded labour has not been defined nor has it been analysed in what form

bonded-labour existed in the industry. Thirdly, the estimations of monthly earnings and expenditures of the respondents are not systematic.

Rajula Devi A.K., in her study observed that the handloom industry in recent years has fallen into deeper crisis, because of lack of adequate financial support. While socio-economic conditions of majority of the weavers are not in a better position and the weavers are trying to give up their profession and go to alternative works. The weavers co-operative societies are run on dormant lines. She felt that the Government should take care of the handloom industry by allocating huge resources for the development of the industry.

Goel, emphasised that there is need for financial assistance to handloom co-operatives. He felt that handloom co-operatives are facing the problem of lack of proper financing facilities. To provide financial facilities to the weavers and to the weavers' co-operative societies the Government should spent huge resources.


Kotaiah\textsuperscript{36} identified several problems regarding the handloom industry. To solve the problems, the author, suggested several measures;

1. For the purpose of securing the life of weavers provident fund scheme and a Group Insurance Scheme, with twenty thousand rupees, should be implemented.

2. Construct E.S.I. Hospitals to the weavers and give better treatment to the weavers diseases.

3. The Government remove all type of taxes on inputs of handloom industry and supply yarn directly to the weavers from mills without intervention of middlemen.

4. Develop the banking facilities to weavers by providing short term loans.

5. Construct better houses and work-sheds to the weavers under housing scheme.

Sarangapani B.,\textsuperscript{37} surveyed two important centres

\textsuperscript{36} Kotaiah P., Problems of handloom industry, Jagruthi 5th July, 1987, pp. 5-15.

\textsuperscript{37} Sarangapani B., Organisational pattern and levels of living conditions of handloom weavers. A study in Coastal Andhra Pradesh (Unpublished Ph.D. Thesis) submitted to Andhra University, Waltair, 1987.
in Coastal Andhra, namely, Mangalagiri and Pedana and estimates the socio-economic conditions of handloom weavers in both regions, and divided the industry under four categories of establishments.

i. Independent weavers.

ii. Weavers working for master weavers.

iii. Weavers working for co-operatives.

iv. Coolie weavers.

The incidence of the poverty among the coolie weavers is more than that of others. The author suggests that the weavers should learn modern designs to improve their living conditions.

Bharatham K.,\textsuperscript{38} felt that the industry should be developed under co-operative lines. He suggested several measures for the development of handloom co-operatives.

According to Chandra Sekhar Rao V., and Prasad V.V.,\textsuperscript{39} that the handloom industry facing the problems of scarcity


of yarn, raw-material and lack of sufficient marketing facilities to the handloom products. The weavers are also facing the problem of lack of proper financial facilities. The commercial banks failed to provide sufficient finance to the weavers. The weavers in the State required more financial assistance from the commercial banks. To provide the continuous employment, the weavers should be supplied the adequate yarn.

The handloom industry in Tamil Nadu is facing the problem of lack of financial facilities. The commercial banks and District Co-operative Central Banks failed to provide sufficient finances to the weavers' co-operative societies. As a result of this the co-operative movement in Tamil Nadu, is failure and more number of co-operative societies are running dormant lines. At the same time, the unexpected growth of powerlooms is the cause of creation of artificial scarcity of yarn. There is a great need to develop the industry hence the Government should supply yarn to handloom sector.

Noor Basha A., observed that in the year of 1991 the handloom industry has fallen into severe crisis and more number of weavers in the State are facing the problems.


The problem of dire-poverty and under-employment. The hike in the raw material cost is the cause for the industry falling into deep crisis. More number of co-operative societies in the State are running dormant lines. To mitigate the problems of the industry, the Government should implement reserve certain items for handloom sector and supply sufficient yarn to the handloom weavers.

Venkatasubbaiah K., divided the Cuddapah district into two parts on the basis of nature of weaving done by the weavers. In the western part the weaver produce only coarse varieties like Janata Dhotis, Janata Sarees etc., but the weavers in the eastern part of the district are weaving superior varieties of cloth like, pure zari sarees etc. The process of the weaving is different from each other. The author finds that the weavers were living below poverty line and the incidence of the dependence is very high among the weavers. To improve the living conditions of the weavers, the weavers should take the help of Weaver Service Centres and learn modern skills. He has suggested that more number of service centres should be opened and proper training should given to the weavers to adopt the modern skills.

Kotaiah Pragada felt that most of the weavers are leaving their profession and have diverted alternative works. The root of the crisis is the 'New Textile Policy' announced by the Government of India in the year 1991 (September), which is in favour of large scale mills and powerlooms. The scarcity of the yarn is the cause for loss of employment. Kotaiah is of the opinion that the scarcity of the yarn is cause and consequence for crisis in the industry. He suggested that the yarn should be supplied to the weavers at 40 per cent subsidy rates.

Vikram stated that the handloom industry has great important in Indian economy. To mitigate the problems arising in handloom industry, the 9th Schedule of the Constitution of India should be suitably altered. To encourage the handlooms, the Government should implement the reservation of items, and leavy additional excise duty on mill-made-cloth and give subsidy to the handloom cloth. To provide an amount of Rs.Five thousand for each loom, the Government should allot a Rs.100 crores to the handloom sectors.

43. Kotaiah P., 'Loom Tragedy' Frontline, the India's largest circulated fortnight magazine, 3rd July, 1992 P. 19.
44. Vikram 'Handloom Industry in India' article published in Eenadu, the daily Telugu Newspaper, 22nd Feb. 1992, p.11.
The All India Handloom Conference in New Delhi 20 Feb. 1993 discussed the problems faced by in the country. In this conference, several delegates expressed their ideas on different problems of the industry and they came to conclusion to mitigate all the problems, the Government should supply yarn regularly to the weavers at subsidy rates. To provide employment continuous basis, the reservation items should continue and restrict the production of the powerlooms. Marketing centres should be opened in rural areas for the products from the weavers. Additional spinning mills should be established to increase the production of yarn and supply it to the handloom sector.

It is evident from the above literature that handloom industry is facing many problems viz., supply

of yarn, raw material, lack of proper marketing facilities, lack of proper financial facilities, and competition from large scale sector and powerlooms. Further failure of co-operative movement resulted in unemployment and under-employment. In recent years the weavers have been trying to change their profession and try to switch on to alternate works. The studies reviewed above could forces one or two problems faced by the industry. Present study is an attempt to identify the entire gamut problems of the weavers and to suggest suitable measures for the development of the industry - Andhra Pradesh in general and the district of Prakasham in particular.

STATEMENT OF THE PROBLEM

The handloom industry has a proud place in the rural economy. It is only next to agriculture in terms of employment potential. As many as 10 million people are employed in over 3.8 million handlooms in the country. The socio-economic life of the large number of weavers is deplorable. A majority of the weavers in the country are not financially sound because of the inadequate earnings from their profession. The performance of the existing institutional infrastructure for financing the handloom industry is far from satisfactory. In some places, the
co-operative societies, which are founded primarily for ameliorating socio-economic conditions of the weavers are found to be almost in dormant stage.

The handloom industry has been suffering from the following:

i) High cost of incidence.

ii) Low productivity resulting in poor earnings.

iii) Shortage of working capital.

iv) High incidence of under-employment.

v) Lack of adequate institutional support in marketing, raw material, technology and management functions.

With the result the weavers living conditions have not been improved. Rather, it appears that their levels of living are on the decline.

A pilot study conducted in a few parts of Prakasam District has brought into focus that a majority of the weavers are not conscious about their profession and are averse to their current activity. In the year 1985 the Government of India announced New Textile Policy, which is favourable to large scale sector and powerlooms. As a result of this the share of the powerloom cloth production is increased to 48 percent. But the share of handloom cloth production is reduced to 22 percent. At the same time hike in the raw material i.e., yarn, dyes & chemicals cost is increased by 30 to 40 percent. The price of the
finished handloom products is declining to 15 to 20 percent. As a result of this the industry has fallen into severe crisis, and a larger section of weavers have lost their employment and lead a very miserable life. A majority of weavers in the country are subjected to dire poverty and under employment. In India, there are about 160 lacs of weavers depending on 40 lacs looms, and in the state of Andhra Pradesh along about 30 lacs of weavers are depending on 5 lac 30 thousand looms. In Prakasam District there are about 2.5 lacs of weavers, out of whom 50 thousand weavers have lost their employment and are reduced to penury. However, they are continuing in the profession not because of they like it, but because they have no other way out. In the year 1991 the industry faces a severe crisis involving about 72 starvation deaths occurring among the weavers in the state, and in Prakasam District 22 starvation deaths are reported in the press. In such a critical juncture faced by both the industry and the weavers, there is a great need to improve the working and living conditions, and provide the finance, and marketing facilities of the weavers and the industry in Andhra Pradesh in general and Prakasam District in particular.

SIGNIFICANCE OF THE PRESENT STUDY

The handloom weavers of Andhra Pradesh in general, and the weavers of Prakasam District, in particular are
facing acute problems of dire poverty and under employment to do and eke out livelihood. Majority of them are struggling hard to survive and some others have committed suicide as well. Sporadic reports of suicide and starvation deaths appeared in the press. As many as 22 deaths of starvation and suicides are reported in Prakasam District of Andhra Pradesh. Hence, this study is focussed on the socio-economic conditions of weavers. The study is confined to and concentrated on the Prakasam District due to its decisive role in the handloom industry of Andhra Pradesh. Moreover, this district has export facilities being a coastal region, and because of this proximity to the coast, natural calamities like cyclone etc., are usual happenings in this district. The study of handloom industry and weavers during these catastrophies, is also a worthy studying aspect and the present work has its look on this point also. Therefore, there is a need to study scientifically the living conditions of the weavers and the factors responsible for it. In the light of such knowledge policy suggestions can be made to improve the living conditions of the weavers in Prakasam District.

HYPOTHESIS

Based on the earlier studies and the pilot study conducted in Prakasam District by the Researcher, the following hypotheses have been formulated in order to test
them for arriving at suitable conclusions.

1. The earnings of most of the weavers are very low as such they are suffering and struggling a lot even to lead an ordinary life.

2. The employment and income generation in various categories of establishments is not significant and there is no significant relation between employment intensity and the level of handloom industry income.

3. Poverty levels in the households is lower where the weavers have been producing jacquard cloth.

4. Idle capacity will be less in the case of weavers working for master-weavers and independent weavers and more in case of weavers working for co-operative societies and weavers working for corporation.

5. Because of low average income coupled with higher levels of unemployment in the group of weavers working for co-operatives and weavers working for corporations average indebtedness is high.

OBJECTIVES OF THE STUDY

Against this background, the study has been taken up with the following objectives:

i) To assess the socio-economic conditions of the handloom weavers in Prakasam District.

ii) To enquire into the employment, income, wages and capital aspects of handloom weavers.
iii) a. To estimate the utilisation capacity and idle
capacity for loom in the industry.

b. To enquire into the indebtedness of the weaver
households in Prakasam District.

iv) To analyse the problems and prospects of the hand-
loom industry.

v) To suggest suitable measures to stabilise and
strengthen the handloom industry in Andhra Pradesh in
genral and Prakasam District in particular.

SELECTION OF THE DISTRICT

In Andhra Pradesh, handloom industry is highly
concentrated in Karimnagar and Cuddapah Districts. All
districts have handloom industry. But some studies
relating to handloom industry on the problems of handloom
weavers in Karimnagar and Cuddapah districts, Karimnagar
District in Telengana region and Cuddapah district in
Rayalaseema region have been undertaken. But no integral
study has so far been conducted in coastal Andhra region on
the problems of handloom weavers. A few studies are
conducted by the scholars only on the socio-economic
aspects, but no serious study to solve the problems of
handloom industry and weavers is undertaken. In the
coastal region of Andhra, the weavers are living below
poverty line. Every year the weavers face many problems
because of getting employment and income. The industry in
Prakasam, Guntur and Krishna districts weavers depend only in this profession. It is difficult to lead their life through this profession. Prakasam district of Andhra Pradesh has economic importance and goods have been exported to foreign countries like Nigeria and Ghana. The weavers in this district face troubles due to the unfavourable climatic condition. In the year 1991 most of the cotton cultivators and handloom weavers suffered starvation and committed suicide. It is imperative to solve the problems of the handloom industry. But it is very difficult to study over all problems of handloom industry in the entire state. Hence, the study is restricted only to Prakasam district.

**METHODOLOGY**

Prakasam district consists of 56 mandals. The handloom industry is scattered over 33 mandals but it is concentrated only in 13 mandals of the district. In these 13 mandals there are 12363 handlooms in 7925 households. Hence for a detailed study these 13 mandals are selected. Among the 7925 households a sample of 5 percent was selected for the survey on the basis of stratified random sampling method so as to collect the necessary data by administering the pretested schedules. In all 396 households have been selected for study. Care is taken to have a fair representation in the survey of all the four
TABLE I.1
NUMBER OF WEAVER HOUSEHOLDS AND WORKING LOOMS IN SELECTED MANDALS OF PRAKASAM DISTRICT

<table>
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<tr>
<th>S. No.</th>
<th>Name of the mandal</th>
<th>No. of households</th>
<th>No. of looms working in selected households</th>
<th>5% of households are selected</th>
<th>5% of working looms in selected households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Chirala</td>
<td>3425</td>
<td>5196</td>
<td>171.25</td>
<td>259.80</td>
</tr>
<tr>
<td>2.</td>
<td>Vetapalem</td>
<td>2175</td>
<td>3181</td>
<td>108.75</td>
<td>159.05</td>
</tr>
<tr>
<td>3.</td>
<td>Kothapatnam</td>
<td>385</td>
<td>774</td>
<td>19.25</td>
<td>30.70</td>
</tr>
<tr>
<td>4.</td>
<td>Martur</td>
<td>325</td>
<td>650</td>
<td>16.25</td>
<td>32.50</td>
</tr>
<tr>
<td>5.</td>
<td>Chimakuriti</td>
<td>353</td>
<td>627</td>
<td>17.65</td>
<td>31.35</td>
</tr>
<tr>
<td>6.</td>
<td>Kanigiri</td>
<td>350</td>
<td>521</td>
<td>17.50</td>
<td>26.05</td>
</tr>
<tr>
<td>7.</td>
<td>Bestavaripeta</td>
<td>337</td>
<td>491</td>
<td>16.85</td>
<td>24.55</td>
</tr>
<tr>
<td>8.</td>
<td>P.C.Palli</td>
<td>133</td>
<td>231</td>
<td>6.65</td>
<td>11.10</td>
</tr>
<tr>
<td>10.</td>
<td>Pullalacheruvu</td>
<td>80</td>
<td>135</td>
<td>4.00</td>
<td>5.35</td>
</tr>
<tr>
<td>11.</td>
<td>J.Pangulur</td>
<td>69</td>
<td>119</td>
<td>3.45</td>
<td>5.25</td>
</tr>
<tr>
<td>12.</td>
<td>Kandukur</td>
<td>70</td>
<td>107</td>
<td>3.50</td>
<td>5.95</td>
</tr>
<tr>
<td>13.</td>
<td>Santamagulur</td>
<td>58</td>
<td>105</td>
<td>2.90</td>
<td>6.95</td>
</tr>
</tbody>
</table>

| Total  | 7925             | 12363           | 396.25                                     | 618.00                        |

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category</th>
<th>No. of households engaged in</th>
<th>No. of working looms</th>
<th>Selected 5% of households in weaving activity</th>
<th>Selected 5% of working looms in selected households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Household working independently</td>
<td>660</td>
<td>1138</td>
<td>33</td>
<td>57</td>
</tr>
<tr>
<td>2.</td>
<td>Household working for master-weavers</td>
<td>3480</td>
<td>5405</td>
<td>174</td>
<td>270</td>
</tr>
<tr>
<td>3.</td>
<td>Household working for co-operatives</td>
<td>2940</td>
<td>4435</td>
<td>147</td>
<td>222</td>
</tr>
<tr>
<td>4.</td>
<td>Household working for corporation</td>
<td>845</td>
<td>1385</td>
<td>42</td>
<td>69</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>7925</strong></td>
<td><strong>12363</strong></td>
<td><strong>396</strong></td>
<td><strong>618</strong></td>
</tr>
</tbody>
</table>

categories i.e., household working independently, household working for master-weavers, household working for co-operatives and household working for corporation, each category 660, 3480, 2940, 845 households are working on 1138, 5405, 4435 1385 looms a sample of 5 percent is selected 33, 174, 147, 42 households engaged in 57, 270, 220, 69 looms as it can be seen from Tables I.1 and I.2.

PRIMARY DATA

Before collection of primary data, the researcher conducted a pre-testing in Chirala Mandal through pilot study. The interview timings were fixed to suit the convenience of the respondents and they were invariably held at the latter's place of residence. The interviews were conducted between May, 1992 and October, 1992. Each interview with the respondents has normally lasted for about 60 to 120 minutes each. With regard to the weavers working under co-operative societies, collection of data was done by visiting societies which are functioning well. The weavers in this district were living in rural areas and slum areas and far away from the towns, the researcher has taken personal interest to visit places like Lakshmipuram, Thotavaripalem, Syndicate colony etc., and spend the time within the villages to observe all the problems of weavers in the study areas.
SECONDARY DATA

Secondary data were collected from the records of the Office of Development Commissioner for Handlooms, Ministry of Commerce, Udyog Bhavan, New Delhi. The annual reports of the All India Federation of Co-operative Spinning Mills Limited, Bombay, Directorate of Handlooms and Textiles, Hyderabad, and Andhra Pradesh State. Handloom weavers' Co-operative Society Limited, Hyderabad, Assistance Director of Handlooms and Textiles, Ongole. Personal interviews are made with the higher officials of the above offices. To know the technical aspects of the handloom industry, the Indian Institute of Handloom Technology, Salem in Tamil Nadu, the weaver's service centres located at Hyderabad and Vijayawada are visited. In addition to the above, some supporting data were collected from published and un-published records, reports, and papers of various institutions and individuals.

STATISTICAL TOOLS TO BE USED

Averages, percentages, ratios and also used the pie diagrams and bar diagrams. To estimate the functional relationship between employment and income, employment and capital, the researcher used both simple and multiple regression models. To estimate the poverty among weavers the researcher used gini-co-efficient as statistical tools in our study.
LIMITATION OF THE STUDY

The present work is confined to Prakasam district of the Andhra Pradesh and conclusions drawn from this study may not be generalised in the sense that the area covered for study is relatively not large enough.

The observational scope of the industry is restricted to the cotton segment, and other segments wool and silk etc., are not considered due to their meagre importance in the field.

Owing to time and resource constraints, the study period is restricted to a decade i.e., from 1982-92.

PLAN OF THE STUDY

The study would be presented in seven chapters the first chapter gives an introduction to the study and methodology employed. The second chapter evaluates the position and development of handloom industry. The third chapter deals with the socio-economic conditions of sample households. The fourth chapter enquires into the employment, income, wages and capital aspects of the industry. The fifth chapter estimates the capacity utilisation, idle capacity and also enquires into the indebtedness of the weaver households. The sixth chapter analyses the nature of the problems of the handloom industry with special reference to the recent crisis. The seventh chapter concludes with the policy prescriptions based on the findings of the study.