CHAPTER - VI

FINDINGS AND CONCLUSIONS
In this study, the growth and performance of Andhra Pradesh Handloom Weavers' Co-operative Society Limited at the State Level have been analysed in terms of physical and financial aspects during 1976-95. Similarly, the progress and functioning of APCO at (Anantapur) division level have been dealt with from the year of its formation. Micro level studies, covering 5 sales emporia in Anantapur district, are conducted to examine the functioning of APCO at the unit level during 1976-95. In order to assess the performance of APCO units, a survey of the customers visiting the units is conducted and the results are analysed in the earlier chapter. The important findings of the study including the problems hampering the growth of APCO and a set of suggestions to overcome these problems are presented hereunder.

6.1. FINDINGS OF THE STUDY :

APCO, a federation of primary weavers' cooperative societies in Andhra Pradesh, provides the required assistance to these societies for their healthy growth and development. The origin of APCO, an Apex body, can be traced back to the early fifties of this century.

In Andhra Pradesh three Regional Weavers' Co-operatives were functioning with head-quarters at 1) Hyderabad from 19-02-1950, 2) Vijayawada from 14-09-1953 and 3) Kurnool from 18-07-1975 covering the Handloom Weavers' Co-operatives in Telangana, Andhra and Rayalaseema regions of the state respectively.

The Government of Andhra Pradesh through its ordinance of July 1976 amalgamated the existing three regional Apex societies in to one single society known as "ANDHRA PRADESH STATE HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY LIMITED", (APSHWCS LTD), POPULARLY KNOWN AS APCO, with head-quarters at Hyderabad.

Of the 1,183 Handloom Societies in the state 1,038 Primary Co-operatives are the members of APCO and of which 160 are silk yarn weaving societies and about 50 are wool societies. In 1994-95 nearly one third of the primary societies in the state are in coastal Andhra region, 31.0 percent in Telangana region and 35.0 percent in Rayalaseema region. Cuddapah
and Anantapur districts have the largest number of primary societies in the state - 171 and 168 accounting for nearly 30.0 percent of the total primary societies in the state.

Among the handloom products procured by APCO general varieties of cloth accounts for largest share while yarn dominates the list of inputs procured during 1987-95 and 60 to 65 percent of the goods produced by the primary societies are procured by the APCO.

APCO opened a number of sales emporiums and Handloom cloth houses at important locations so as to enrich the accessibility of the customers. Of the 440 sales emporia 66 are inter-state sales emporia which account for nearly one sixth of the total emporia. In Andhra Pradesh, Coastal Andhra, Telangana and Rayalaseema regions with 188, 106 and 80 sales emporia account for 50.0, 28.0 and 21.0 percent of the total sales emporia in the state respectively. Rajamandry, Karimnagar and Kurnool Divisions have the largest number of sales emporia in the state.

The number of cloth godowns between the regions vary from 13 in Telangana, 10 in coastal Andhra and 5 in Rayalaseema. Further, it is to be noted that 9 cloth godowns are in other states. APCO reduction counters are there in Andhra Pradesh and Bangalore. Of the 12 reduction counters in the state 5 are in Telangana region, 4 are in coastal Andhra region and 3 are in Rayalaseema region.

In order to protect the handloom products from the mill made products and to boost up the sale of handloom products APCO has been extending rebate facility allowing 20.0 percent rebate on the purchase price of handloom products to attract the customers. This rebate facility is extended for 30 days in a year, spread over different spells for a week or 10 days at a time coinciding with the festival days. The state and central Governments equally share the financial burden of this rebate scheme.

The Janatha cloth sales in Andhra Pradesh increased until 1990-91 and showed a steep fall afterwards. Ultimately, the scheme was discontinued in 1993-94. As a result, the sale of yarn also suffered a setback and the revenues from the sales of APCO showed a decline from 1993-94.
Procurement price of Janatha saree was Rs. 32.50 and a Dhoti was Rs. 24.00 during 1985-89. These rates were increased to Rs. 43.50 and Rs. 29.64 respectively in the next two years. During 1991-93 the procurement prices of Janatha Saree was Rs. 48.54 and a Dhoti was Rs. 33.34, and again they were increased to Rs. 55.24 and Rs. 58.27 respectively in 1993-94.

The sale price of Janatha saree was Rs. 16.00 and dhoti was Rs. 9.00. In the next three years these prices were increased by Rs. 3 each. Between 1989 and 91 the sale price of saree remained the same while that of dhoti increased by Rs.2.00. In the next two years these rates were enhanced to Rs. 27.00 and Rs. 18.00 respectively. From 16-01-93 Sarees and Dhoties are being sold at Rs. 35.00 and Rs. 20.00.

The method of pricing followed by APCO is "Mark-up pricing". APCO adds a margin of 30 to 40 percent to the purchase price of the products sold by the member socltles and fixes the market price. However, the mark-up is only marginal in case of livery items and Janatha varieties because the difference being subsidised by the Government.

APCO has been implementing a technical Assistance Scheme rendering necessary help to weavers' co-operatives. A design cell has been setup in APCO to prepare new designs. There is a quality control cell to ensure production of good quality fabrics. APCO ensures the welfare of the weavers' by implementing the Central/State Government Schemes such as Modernation/Replacement of looms, thrift fund-cum-savings and security scheme, work shed-cum-housing scheme etc..

The growth rate of the properties and assets of APCO varied from 6.21 percent in 1987-88 to 115.7 percent in 1977-78 and was highly encouraging during last three years of the period understudy.

During the period under review, receipts from shares accounted for 14.3 percent, receipts from sundries for 26.0 percent, the miscellaneous receipts for 57.0 percent and the Assets for 3.20 percent of total properties and Assets of APCO. The cash balance accounted, an on average, for 16.5 percent of the total receipts during the period under study. The decline in the cash balance indicates the reduction in the sale of APCO products.
The accumulation of Government dues had adverse impact on the finances of APCO. As a result, the performance of APCO crippled and its functioning was at the cross-roads. APCO has been heavily depending on the implementation of Rebate scheme for its reliance in the form of subsidy. The amount of subsidies due from the Government accounted for 80.0 percent of the total receipts.

The total value of the assets of APCO was only Rs. 50.04 lakhs at the time of constituting this Apex Body and they increased to Rs. 435.46 lakhs by the end of 1994-95. The growth rate of properties and assets is more than the growth rate of liabilities indicating the net growth of the establishment of APCO.

The price reduction on the sale of old stock by APCO was introduced in 1988-89 and the scheme costed Rs. 35.00 lakhs to APCO in the begining and increased to Rs. 272.45 lakhs in 1992-93. Though introduced late, the price reduction item emerged as the lead item of expenditure accounting for 40.0 percent of the total expenditure followed by incentives with 26.0 percent.

Trading charges amount was on an increasing trend and touched Rs. 1393.45 lakhs and accounted for 6.52 percent to total trade expenditure in the year 1994-95 indicating the increasing financial burden on APCO that is incurred to promote the sales of handloom products and clear the accumulated stocks.

On an average, the total profit of APCO increased by Rs. 90.00 lakhs per annum. It is interesting to know that trade profit accounted for nearly 98.0 percent of the total profit of APCO during 1976-95. The low net profitability ratios to trade revenues and to total receipts indicate that the performance of APCO, though deteriorating often, has been satisfactory in maintaining a margin of profit. In other words, the functioning of APCO has been efficient enough to just maintain a positive trade of profits.

Anantapur district is known for handloom products and the economic history of the district reveals that handloom weaving industry occupied an important place in the economy of the
district. Anantapur division of APCO was started in 1987 and there are 25 APCO sales emporia in Anantapur division and one fifth of them are located in places outside the state Andhra Pradesh.

The Total Receipts of APCO increased from Rs. 2,205.48 lakhs in 1987-88 to Rs. 3,774.13 lakhs in 1993-94 and among the components of Total receipts of APCO during 1987-95 contributions etc. accounted for 45.31 percent, Trade receipts for 31.0 percent and Inter Depot Transfer payments for the remaining part of total revenues.

The funds received by Anantapur Division from the Central Office of APCO has been the major portion of contributions to APCO during 1987-95 and the increase in these funds indicates the increasing dependence of Divisional units on the central office for meeting their business and transaction obligations.

On an average, the general sales receipts worked out to Rs. 475.30 per annum during 1987-95. Goods transfer sale of fabrics between divisions also contributed significantly to the trade receipts. The estimated amount of annual revenues from the trade transactions during 1987-95 was Rs. 135.85 lakhs. The share of revenues from the trade of general varieties of cloth was 55.02 percent while that of Goods transfer earnings was 44.82 percent to the trade receipts during 1987-95.

The expenditure incurred on the payment of rebate offered on the sale of APCO fabrics and the subsidy extended on the supply of yarn to the societies varied significantly between the years and it was highest during 1992-94 when the trade transactions of APCO were highest. On an average, the estimated amount of expenditure on these items is Rs. 875.0 lakhs per annum.

The expenditure part of emoluments paid to the employees drawn from the Central Office was high in 1987-88 due to the creation of Anantapur division and ranged between Rs. 200 and Rs. 300 lakhs during 1987-95 except in two years. It showed a gradual increase in the last three years of the period under review due to the payment of D.A. arrears and bonus amounts. On an average, it was Rs. 235.11 lakhs per annum.
The total trade expenditure varied from Rs. 851.87 lakhs in 1987-88 to Rs. 1061.15 lakhs in 1994-95. The expenditure on the purchase of cloth and goods transfer accounted for 60.0 percent and 27.0 percent while trading charges amounted to 13.0 percent of Total trade expenditure during 1987-95.

The gross profits of Anantapur division of APCO during the period under study were Rs. 1420.46 lakhs and the estimated annual average profits were Rs. 177.50 lakhs. On the other hand the expenditure on establishment and contingencies increased from Rs. 17.85 lakhs in 1987-88 to Rs. 43.65 lakhs in 1994-95.

Like gross profits, the net profits of APCO division at Anantapur were lower in 1991-92 and highest in 1994-95. The estimated average annual net profits of APCO were Rs. 150.24 lakhs during the period under review.

Net profitability Ratios to Gross receipts, Trade receipts and Trade expenditure are positive, indicating satisfactory performance of Anantapur division of APCO. The Net profitability Ratios to Gross receipts ranged from 2.7 percent to 25.93 percent and to trade receipts varied from 3.55 percent in 1987-88 to 36.6 percent in 1994-95 indicating satisfactory trading activities and the performance of APCO division at Anantapur during 1976-95.

The net profits earned by APCO division at Anantapur are more in the form of stock of goods rather than in cash. Further, the subsidy amounts extended by the central office has been aiding APCO division, Anantapur to maintain its trade transactions. Thus, the functioning of APCO depends to a larger extent on the release of subsidy amount by central office. The delays and the irregularities in the release of subsidy amount by the central office have been affecting the functioning of APCO at division level.

The average annual total receipts of Anantapur, Guntakal, Hindupur, Tadipatri and Kadiri are Rs. 7.13 lakhs, Rs. 3.80 lakhs Rs. 5.65 lakhs, Rs. 6.44 lakhs and Rs. 5.0 lakhs respectively. Assuming that the selected unit represent the district APCO network, the sales were high during 1989-95 and highest in 1993-94 and the estimated average annual total receipts of each APCO unit in Anantapur district during 1976-95 were Rs. 7.75 lakhs.
The average annual cash receipts of Anantapur unit were Rs. 10.98 lakhs, Guntakal units were Rs. 2.32 lakhs, Hindupur unit were Rs. 3.75 lakhs, Tadipatri unit were Rs. 4.04 lakhs and Kadiri unit were Rs. 2.63 lakhs and during 1976-95 the ratio of cash receipts to total receipts of Anantapur unit were 62.18 percent, Guntakal unit were 62.20 percent, Hindupur unit were 66.45 percent, Tadipatri unit were 62.8 percent and Kadiri unit were 52.20 percent. In the context of stiff competition from sister concerns and mill made cloth sales emporia, realisation of two thirds of revenues in cash by APCO units, attempting to promote the sales activities have been satisfactory.

The receipts from general sales accounted for more than 90 percent of the cash revenues of all the selected units and the polyester sales to cash receipts accounted for 5.50 percent in Anantapur, 3.50 percent in Guntakal, 5.9 percent in Hindupur 5.4 percent in Tadipatri and 0.05 percent in Kadiri units.

The average annual receipts from Janatha sales during 1976-95 were Rs. 0.14 lakhs in Anantapur unit, Rs. 0.13 lakhs in Guntakal unit, Rs. 0.09 lakhs in Hindupur unit, Rs. 0.80 lakhs in Tadipatri unit and Rs. 0.11 lakhs in the Kadiri unit. During 1976-95 the annual average receipts from the non-rebate sales were Rs. 0.36 lakhs in Anantapur, Rs. 0.09 lakhs in Guntakal, Rs. 0.12 lakhs in Hindupur, Rs. 0.15 lakhs in Tadipatri and Rs. 0.019 lakhs in Kadiri.

The average annual rebate amount of Anantapur unit was Rs. 2.32 lakhs, Guntakal unit was Rs. 0.49 lakhs, Hindupur unit was Rs. 0.87 lakhs, Tadipatri unit was Rs. 0.83 lakhs and Kadiri unit was Rs. 0.53 lakhs during 1976-95 and the average annual non-reimbursed rebate amount was Rs. 0.24 lakhs in Anantapur unit, Rs. 0.06 lakhs in Guntakal unit, Rs. 0.04 lakhs in Hindupur unit, Rs. 0.18 lakhs in Tadipatri unit and Rs. 0.09 lakhs in Kadiri unit.

The ratio of credit sales receipts were less than cash sales receipts but it was on an increase in the last half of a decade of the period under study. In all the selected units the proportion of revenues from credit sales was nearly one third of the total receipts during 1976-95. It is found that the main reasons for the high sales of APCO units during 1990-91 are the credit
facility and the rebate offer extended by APCO. During this period the sales are high because the rebate sales are also high accounting for more than 90.0 percent of the credit receipts.

During the period under study, the average annual amount received at the time of credit sales was Rs. 2.43 lakhs in Anantapur unit, Rs. 0.63 lakhs in Guntakal unit, Rs. 0.74 lakhs in Hindupur unit, Rs. 0.54 lakhs in Tadipatri unit and Rs. 0.67 lakhs in Kadiri unit. The average annual amount of dues accumulated in Anantapur unit was Rs. 4.25 lakhs, Guntakal was Rs. 0.83 lakhs, Hindupur unit was Rs. 1.15 lakhs, Tadipatri unit was Rs. 1.98 lakhs and Kadiri unit was Rs. 1.72 lakhs. The average annual receipts realised from credit sales were Rs. 2.91 lakhs in Anantapur units, Rs. 0.59 lakhs in Guntakal unit, Rs. 0.95 lakhs in Hindupur unit, Rs. 1.23 lakhs in Tadipatri unit and Rs. 0.88 lakhs in Kadiri unit.

Though, the trend and the changes in the cash-position of selected APCO units during 1976-95 were the same, the level of cash position excluding Rebate amount is definitely low in all the selected units. On an average, the annual cash receipts of Anantapur unit was Rs. 12.86 lakhs. Guntakal unit was Rs. 2.83 lakhs. Hindupur unit was Rs. 4.17 lakhs. Tadipatri unit was Rs. 4.48 lakhs. Kadiri unit was Rs. 3.26 lakhs.

The total expenditure during 1976-95 was highest in Anantapur unit followed by Hindupur, Kadiri Tadipatri and Guntakal. The average annual expenditure of these units during 1976-95 were Rs. 1.93 lakhs, Rs. 1.00 lakhs Rs. 0.80 lakhs Rs. 0.84 lakhs and Rs. 0.64 lakhs respectively.

The average annual expenditure on establishment was Rs. 0.64 lakhs in Anantapur. Rs. 0.36 lakhs in Hindupur, Rs. 0.26 lakhs in Guntakal, Rs. 0.27 lakhs in Tadipatri and Rs. 0.24 lakhs in Kadiri APCO units. The average annual expenditure on contingencies of Anantapur unit was Rs. 0.16 lakhs, Guntakal Rs. 0.09 lakhs, Hindupur Rs. 0.15 lakhs, Tadipatri Rs. 0.10 lakhs and Kadiri Rs. 0.08 lakhs.

During 1976-95, the average annual trading charges of Anantapur unit was Rs. 10.04 lakhs. Guntakal was Rs. 0.02 lakhs. Hindupur was Rs. 0.03 lakhs Tadipatri was Rs. 0.02 lakhs and Kadiri was Rs. 0.02 lakhs. Assuming that these units represent the district, the average
annual trading charges of each unit in the district was Rs.0.03 lakhs. For the district as a whole, the trading charges accounted for 2.5 percent of the total expenditure of the units during 1976-95.

During 1976-95, the average annual gross profits of Anantapur unit were Rs. 4.12 lakhs, Guntakal unit Rs. 0.94 lakhs, Hindupur unit Rs. 1.41 lakhs, Tadipatri unit Rs. 1.52 lakhs and Kadiri unit Rs. 1.22 lakhs and the average annual net profits of Anantapur unit were Rs. 2.16 lakhs, Guntakal unit Rs. 0.30 lakhs, Hindupur unit Rs. 0.41 lakhs, Tadipatri unit Rs. 0.68 lakhs and Kadiri unit Rs. 0.42 lakhs during 1976-95.

The average annual net profitability ratios to general and Janatha sales of Anantapur unit was 13.38 percent, Guntakal unit was 8.42 percent, Hindupur unit was 7.96 percent, Tadipatri unit was 11.79 percent, and Kadiri unit was 9.17 percent. It is noticed that the performance of Anantapur unit has been better followed by Tadipatri and Kadiri units.

The Average Annual Net Profitability Ratios to total expenditure of Anantapur unit was 111.86 percent, Guntakal unit was 46.49 percent, Hindupur unit was 41.32 percent, Tadipatri unit was 81.07 percent and Kadiri unit was 52.36 percent during 1976-95. It is found that the functioning of Anantapur unit followed by Tadipatri and Kadiri units has been better than that of Guntakal and Hindupur units.

The net profitability ratios of the selected units to General Sales and total expenditure varied among the selected units. The profitability was more than 13.0 percent in Anantapur unit and more than 11.0 percent in Tadipatri unit during 1976-95. These ratios to total expenditure were more than 41.0 percent in all the selected units. From the estimates of net profitability ratios it is found that Anantapur unit followed by Tadipatri unit has been performing satisfactorily during the period under study.

The ANOVA test results revealed that the experiences of the selected units are not similar and their is a significant difference in the behavior of selected APCO units. Anantapur APCO unit has been distinct from the other selected units for obvious reasons of its size, location and patronage. Another analysis of variance test conducted revealed that the experience and
behaviour of all selected units (excluding Anantapur unit) revealed that there are similarities among these units.

In the cluster analysis it is revealed that, except Anantapur unit, (negatively correlated with other units) all other selected units fall under the same cluster. This indicates similarities in the experiences and behaviour of Guntakal, Hindupur, Tadipatri and Kadiri units in the district while Anantapur unit distinguishes itself from other selected units in all respects.

In the survey of customers it is found heavily marketed APCO products are sarees more specifically Bander sarees and Rajamandry sarees. Bed-sheets and Blankets. In Kadiri unit more woollen blankets are being sold while Anantapur unit monopolises in the sale of Livre and credit items.

Though, all the selected APCO units are running with a low to moderate level of profit, there are several factors that are hampering the satisfactory levels of profits. In the survey, it is identified that the APCO units at Kadiri and Tadipatri are located in very old buildings with inadequate facilities. In fact, the business and transactions in Kadiri unit take place on the floor and hence unable to attract large number of customers. Further, these buildings are not suitable for proper display of the products in a show-room. In fact, necessary furniture and equipment is not available in these units. As a result APCO products are subject to the vagaries of dust and rat menace in these units.

The APCO products fail to attract more customers as a result of limited varieties and designs with un-attractive colour combinations. This is one of the main reasons, besides inferior quality, for the failure of Janatha cloth scheme.

The financial soundness of the APCO units crippled due to the irregular and un-timely release of the rebate and subsidy amounts by the Government. This is drastically affecting the levels of procurement by the APCO from the primary handloom weavers' co-operative societies which in turn is affecting the sales of the APCO units.
Majority of the customers visiting APCO units belong to backward castes and nearly 62.0 percent of them purchase by cash payment. Large number of customers visiting all the selected units except Tadipatri unit, belong to backward castes. Nearly one third of the scheduled cast customers interviewed visit the Anantapur APCO unit and many Scheduled Tribe customers purchase from Hindupur, Tadipatri and Kadiri APCO units. On the whole, it is found that APCO Products are popular among the backward community people in Anantaur district.

Class II and III employees including Teachers in different educational institutions, clerical staff in Government Offices are the largest group accounting for 46.0 percent of the total customers interviewed. Credit facility is availed by backward class and schedule caste people to a larger extent.

Most of the sarees are purchased by the Backward class customers followed by forward caste people. Bedsheets are the other popular items that are demanded by Backward caste and forward caste people. Towels and lungies are the two products that are largely purchased by the weaker sections with lower levels of income. Among the jointly demanded products sarees and Bedsheets, and Bedsheets and Towels are very popular among the backward caste and the forward caste customers while the combination of lungies and towels are popular among scheduled castes and scheduled Tribes.

Many customers are discouraged by the old and outdated designs and colour combinations used in the production of APCO fabrics. These are the opinions expressed by the larger number of customers purchasing on cash basis. As the quality and designs of APCO products poor customers feel that the durability of the products are relatively short. All categories of customers feel that the rate of rebate offered by APCO is low in relation to the quality of the products.

Majority of the customers interviewed are satisfied with the reception extended to them at the APCO sales units. Further, customers did not notice differential treatment between cash and credit customers. Many of the customers are not collecting the bills for their purchases. This has been providing scope for Account manipulation and misuse of APCO revenues. Some of the
customers belonging to weaker sections and lower income groups want the re-introduction of the improved quality Janatha Cloth Scheme limited to the poorest of the poor.

The delay in the payments made by APCO to the Primary Weavers' Cooperatives for the purchases made has been affecting the conditions of the Weavers adversely. Inadequate and delayed supply of raw-materials like yarn etc., to the primary weavers' cooperatives by APCO is hampering the production of fabrics and products.

Purchase of yarn from Maharashtra state by APCO has been aggravating the problems of handloom industry in Andhra Pradesh. There are instances of APCO returning the clothes purchased from Primary Weavers' Societies after 9 months complaining inferior quality. This has adversely affected the financial position of the weavers' societies.

It is identified that there is a decline in the non-rebate sales like polyester sales of APCO over a period. The sales of APCO fabrics are high from 1990-91 mainly due to the increase in the credit sales and rebate sales. In fact, rebate sales accounted for 90.0 percent of the credit sales.

There is a shift in the sales of APCO units from cash sales to credit sales. In the present decade, though, sales of APCO are on an increase, credit sales exceeded the cash sales. There are also instances of managers at the unit level misusing the Demand drafts of the credit sales.

It is noticed that, as reported in the newspapers, there are bogus Weavers' Co-operatives Societies in many parts of the state, managed under Biname names and grabbing the funds from the Government.

APCO has been spending exhaurebitently by participating in the Expose and Exhibitions. Larger share of this expenditure has been incurred on unnecessary items without restrictions and thereby increasing the financial burden.

It is noticed that the safety and secure arrangements made to the sales units in some of the centres are inadequate and hence are prone to thefts. Further, regular stock verification has not been on by the central and divisional offices of APCO.
6.2 SUGGESTIONS AND CONCLUSIONS:

In view of the problems confronting the functioning of APCO and hampering its growth, the following set of suggestions may be considered for improving the overall performance of APCO at different levels.

There is an urgent need to improve the quality of APCO fabrics, to supply products with new designs to attract the customers. National Fashion design Institute shall assist the Handloom Weavers' Societies in producing latest designed APCO fabrics to withstand competition from the handloom products produced in other states.

APCO shall concentrate on the production of general varieties of clothes to promote its sales.

APCO has to negotiate with the Central Government for securing orders for the supply of livery items to the employees of the Central Government Institutions in our state.

APCO has to ensure the supply yarn to the Primary Weavers' Societies on time so as to enable them to find employment throughout the year.

APCO has to control the price of yarn supplied, as it escalates the cost of production of the Weavers' Societies. For controlling the price of yarn APCO has to encourage the yarn producers by offering incentives to produce good quality yarn within Andhra Pradesh.

APCO shall ensure equality between the procurement levels of fabrics envisaged in the procurement programme and the levels of products purchased from the societies. Any shortage in the level of purchases affects the functioning of Primary Weavers' Societies.
Uniform textile policy of the Government may not help the Weavers’ Societies in all the states alike. Hence, changes are to be effected in the textile policy of the Government to help the development of Handloom industry in different states.

Modernisation of handlooms owned by the weavers is to be encouraged by APCO to produce the fabrics in accordance with the Changing taste and fashions. For this purpose, APCO has to organise short term training programmes to member weavers.

Greater care is to be exercised by APCO in locating the sales emporia and other buildings in the state as it is one of the important determinants of sales performance.

It is suggested to open sales outlets in all the important cities of our country to popularise APCO fabrics and thereby promote the sales.

Required security and safety arrangements are to be provided to the sales depots and godowns of APCO to avoid thefts and loss of goods.

Accumulated old and out dated stocks of APCO fabrics are to be disposed with immediately at concessional rates to save further loss and damage.

APCO shall have proper control over the expenditure incurred on Expos and Exhibitions and adequate care is to be exercised to minimise the unnecessary expenditure.

A provision is to be made and the managers are to be allowed officially to meet the hospitality expenditure incurred in connection with the visits of Audit and Inspection teams.

To prevent the misuse of Bank Drafts of credit sales, the units are to be directed to send the Demand Drafts directly to the Central Office.

The APCO Central Office has to strengthen its inspection wing and periodically verify the stock position of the sales units and deal firmly with the default units.

Frequent visits and inspections to the units are to be undertaken by the officers at the Divisional level to check the misuse of Inter Depot Transfers.
The accounting system in the units and at the divisional offices of APCO needs to be revised and the procedure be made easy and foolproof. For this purpose computerisation of accounts at the divisional level may be thought of.

APCO, to have a total picture of the Assets and finances of the units, to take policy decisions, shall collect the data from the units directly and keep track of it comprehensively.

Government shall enquire into the issue of bogus Weavers’ Co-operative Societies where the real weavers are not the members and weed them out sternly.

Stern action is to be taken by the Government on those firms who supply and sell the products reserved for the handloom sector.

Special efforts are to be made by APCO to ensure adequate coverage of handloom workers under the Indira Awaj Yojana Scheme that provides housing to the handloom workers.

Periodic revision of Bonus rates, incentives, sales commission etc., is necessary to enthuse the employees of APCO to promote their sales.

Pension rules followed by APCO shall provide for extending financial assistance to the family of the handloom weaver in case of causality. Further, APCO shall offer compensation from its own and from the Thrift fund schemes to the extent of Rs. 40,000 - 50,000. Besides, weavers benefit oriented Group Link Insurance Scheme etc., are to be honoured by APCO.