CHAPTER III

SERICULTURE INDUSTRY IN ANDHRA PRADESH
Profile of Andhra Pradesh

The Andhra State was constituted out of the composite Madras state on 1st October 1953. The state comprised of eleven districts namely Srikakulam, Visakhapatnam, East Godavari, West Godavari, Krishna, Guntur, Kurnool, Anantapur, Cuddapah, Nellore and Chittoor. Geographically, it was located along the east coast of the country bordering the Bay of Bengal, between 76° and 85° Eastern Longitudes and 12° and 19° Northern Latitude. On the east it is bounded from Khapuram to Tada by the Bay of Bengal, on the South by the Madras state, on the West by the Mysore and Hyderabad state. On the Northern side of the state it was bounded by the Orissa and Madhya Pradesh from east to west. It had an area of 63,608 square miles. The area of agency track was 6,827 square miles out of 63,608 square miles and 3,714 square miles by ex-Zamindari areas. The agency track were located in the districts of Srikakulam, Visakhapatnam, East Godavari and the Zamindari areas were situated in the districts of Srikakulam, Visakhapatnam, East Godavari, Krishna, Nellore and Chittoor.

Carving the State

An integrated state of Andhra Pradesh was constituted in the year 1956. Before it was formed its land area formed part of the then Madras state and a part include under the jurisdiction of the erstwhile princely state of Hyderabad. The new Andhra State
was formed out of the composite state of Madras with eleven Telugu speaking districts on 1st October 1953. The nine Telugu speaking districts were existing in a separate Hyderabad state. In accordance with the recommendations of the states Re-organisation Commission, the nine districts were merged with Andhra State from former princely state of Hyderabad for carrying out the Andhra Pradesh state. In other words the formation of new Andhra Pradesh state was the result of fusion of two regions, namely, Telangana and Andhra regions. On 1st November 1956 the full-fledged state of Andhra Pradesh was born with twenty districts.

Late, Prakasam, Ranga Reddy and Vizianagaram districts were created. At present the state has 23 districts.

Today the state has three distinct economic regions. They are Coastal Andhra comprising of nine districts viz., (a) Srikakulam, (b) Vizianagaram, (c) Visakhapatnam, (d) East Godavari, (e) West Godavari, (f) Krishna, (g) Guntur, (h) Prakasam, (i) Nellore. The second region is Rayalaseema comprising four districts, namely, (a) Chittoor, (b) Cuddapah, (c) Anantapur, (d) Kurnool. The Telangana region is a former princely state of Hyderabad, which comprises ten districts namely (a) Ranga Reddy, (b) Mahaboobnagar, (c) Hyderabad, (d) Medak, (e) Nizamabad, (f) Adilabad, (g) Karimnagar, (h) Warangal, (i) Khammam, (j) Nalgonda.
On the basis of economic and geographical features, the state is divided into three regions, having diverse political and economic background. Consequently, there are regional disparities in people's life, habits, socio-economic characters, agricultural practices, progress and in the levels of industrial development. A brief description of these three regions is worth mentioning.

**Coastal Andhra**

The Coastal Andhra region is the most prosperous and rich in several respects among the three regions. This region is often called as "granary of the state". The big and perennial rivers like Godavari and Krishna passing through the region which form rich delta and the lands there are fertile. The commercial crops, like tobacco, cane, chillies and food crops are grown. As a necessary corollary Visakhapatnam, Guntur and Vijayawada have emerged as major urban complexes. The east coast is a polarized region. It comprises of, at one end, the port of Visakhapatnam thriving on heavy and power intensive industries base. The deltaic area is the hub of agricultural activities.

**Rayalaseema**

The Rayalaseema region is called stalking ground of famines is a track of sparsely populated, economically vulnerable part of the state. Famines and droughts are common visits, the soil is
rocky and unyielding and remain industrially backward. The region is a drought prone, dry track, rocky, soil and scanty rains are the features of this area. During 1900-1960 at 60 years period some parts or other of this region have been the victim of famine on an average once in five years. But this region is endowed with rich mineral deposits, not fully exploited. The problem is one of the technological breakthrough for which huge investments have to be made. Unless breakthrough is achieved in dry farming, in the long run, the wet farming alone cannot be an economic proposition. Apparently the long run solution for the region lies in rapid industrialization and exploration of mineral resources. The poor level of resources development is due to low capital and technology.

**Telangana**

Thirdly, the Telangana region which was a princely state ruled by princes for centuries. The people are poor. There is a high rate of illiteracy and the region remained under developed and is economically backward. The lands is barren and dry and agricultural activities mostly depend on uncertain rainfall. Compared to the other two regions, it is industrially well developed, but most of the industries are concentrated in and around the capital city, Hyderabad and around Kothagudam and Ramagudam. In recent times setting up of more industries and
developmental activities, the region is now more advancing. It comprises on one hand of Hyderabad, one of the largest metropolitans and primary city in the state. On the other hand predominance of largest sub-rural settlement and characterize weak urban settlements. The pressure of few mines and industrial townships has not helped much to activate and rural hinterland.

With these distinct regions, Andhra Pradesh State is a miniature of India, a land of greenery, rich water resources emerged from the past economic and political set-up to the future. It stands today to commemorate all that achieved economically with the help of lucrative natural resources, incredible farm entrepreneurs and highly skilled labour. Geographically located in the form of nucleus of South, and North India with a vast network of rail, air, road and tele-communication links. The active interest of the Government and encouragement led to widest rapid industrialization in recent years.

**Setting**

The total geographical area of the state is 2,75,045 square kilometers\(^2\). It constitutes less than a tenth of total area of India which is the larger than several countries of Europe\(^3\). Naturally the state has a broad strip of coastal plain. It is located between 12°14' North and 19°54' North Latitudes and 76°50' East and 84°50' East Longitudes\(^4\). It is situated on the eastern side of the
Peninsula and South-Eastern part of India. It is bound on the North by Orissa and Madhya Pradesh. On the North-West by Maharashtra, Mysore on the Western frontier and on the South by Tamil Nadu.

The broad strip of coastal plain ranges between Eastern Ghats and Bay of Bengal. Viewing the state from geographical map of India it can be seen from three physical zones, and it can be divided into three natural regions. They are Coastal Plain, the Eastern Ghats and the Pene Plains. The littoral past of the state shows the widest cross sections in the Middle and tappers off into a narrow strip to the North and South. The two districts namely, Visakhapatnam and Srikakulam constitute the narrow coastal plain in the North and dotted with numerous outliers of the Eastern Ghats. The Yoroda ridge lying South of Visakhapatnam runs out is the cliffs of Dolphin's Nose which Shelters the harbour.

The Eastern Ghats are broken hills bordering the Peneplained Plateau in the interior. They widen and reach elevation of 3000 to 5000 feet. These regions form a great crescent. The hills are wooded, thin forest due to porous soils and deficient rainfall. The Peneplain is a land having eroded, flat, hillocks scattered all over the surface. The interior of the state
consist of Peneplain developed on the gneissic plateau. The general aspect everywhere is that graded valleys and isolated hills.

**Geology of the State**

It is one of the important states in possessing a variety of geological formations. Among them the valuable and oldest being the Dharwar groups of rocks, scattered throughout the state which possess minerals. Horn blends Schists and ferruginous quartzites are found in the state. These rocks possess deposits of manganese, graphite, bauxite and iron ore. The districts like Chittoor, Anantapur, Kurnool, Mahabooobnagar, Nalgonda, Hyderabad, Medak, Nizamabad, Karimnagar and Adilabad cover the Peninsular granites. The granites are mainly used in masonry construction. The Purna formations are sedimentary rocks younger than Dharwar and Peninsular granites. They are mainly composed of limestone and shalves and asbestos, barytes and steatite occur in these formations. They occupy the major part of Kurnool, Cuddapah districts and parts of Nalgonda, Guntur, Mahaboobnagar, Hyderabad, Khammam, Warangal, Karimnagar and Adilabad districts. The Godavari valley possesses Gondawana formations. The rich coal deposits of Kothagudam collieries occur in this formation only. Another important geological formation of the state is Deccan Trap, the rock of this used for grinding and crushing stones.
Topography

The map shows that the western part of the state is on high level giving a picture of Deccan Plateau. Towards the eastern coast of the state, it gradually slopes. The Western Ghats begins from South and spread to Maharashtra. Most of the rivers flow through the eastern plains and finally confluences the Bay of Bengal. The rivers flowing in the western parts flow rather rapidly and not beneficial for irrigation, only their entry into the plain for several kilometers inland is largely fringed with sand dunes up to 30 to 50 feet high. The Palakonda hills rising about 3000 feet.

Population

The total population of the state as per 1991 Census is 6,65,08,008. The population of the State forms 7.8 per cent of total population of the country. In the rank, the State stands fifth in population size among the other States. The density of population per square kilometer is 242 as per 1991 Census. The literacy rate is 44.9% comprising of 55.13% males and 32.72% females.

Agriculture

Andhra Pradesh is often called as greenery and rice bowl of South India. As the agriculture is the primary sector of the economy employing the largest segment of the working population.
Nearly 70 per cent of the population of the State is dependent on agriculture. The State is blessed with many congenial agro-climatic conditions most suitable for agriculture and the crops are grown practically around the year, both commercial and non-commercial crops. The State is not only sufficient in food production but also exporting large quantities to neighbouring States. Rice, wheat, jowar, bajra, maize, ragi, pulses, groundnuts, castor, sesame, oil seeds, cotton, mulberry, tobacco, sugarcane and chillies are the principal crops grown in the State.

**SERICULTURE INDUSTRY IN ANDHRA PRADESH**

Sericulture is ideally suited to a predominantly agricultural State like Andhra Pradesh. The main concentration has been in the Rayalaseema region of the State, where climatic conditions are favourable for this industry, Andhra Pradesh produces both mulberry and tasar silk.

Andhra Pradesh achieved significant place in the development of sericulture, although it has no place in the sericulture map of India in 1956, when the State of Andhra Pradesh was formed with the integration of Telangana with the then Andhra State. In the year 1953, the area under mulberry cultivation in Andhra State was just 5 acres. It reached to 40 acres when Andhra Pradesh was formed in 1956. It means that
Andhra Pradesh was not a traditional sericulture State. It is a new entrant into this sericulture enterprise.

For a long time, Palamaneru in Chittoor district had sericulture farm in composite Madras State. Because of its economic value it spread to Hindupur, Araku and other places. Sericulture came to be practiced in a small way with the setting up of a few farms by the Government at Lepakshi, Bhadrachalam, Chintalapudi, Chintalapalli and Palamaneru. However, major development took place only after 1970-71.

Sericulture was originally under the control of the Director of Industries and the apex administrator was a Joint Director who dealt with sericulture and other cottage industries. Sericulture was transferred to the Director of Handlooms and Textiles in 1967. Keeping in view its importance and potential for development, a separate department of sericulture was formed by the State Government with effect from 20.4.1981.

The entire State was divided into convenient regions for the purpose of smooth administration by the Department of Sericulture. Each region consists of a district or a group of districts. A Joint Director or a Deputy Director is placed in-charge of each region depending on the scale of sericulture. A Deputy Director is placed in-charge of each district. A Assistant Director is placed in-charge of each division. The State Government has set
up a Federation of Sericulture and Silk Weavers Co-operative Societies with Hyderabad as its headquarters. The Director or a person nominated by the Government is its chairman and a technical expert is appointed as Managing Director. The Government nominates the Board of Directors to run the Federation. The Federation has been authorized in a very broad way to carry out any work that would promote sericulture industry development.

**Net Income per Acre**

The Department of Sericulture has done as survey also reveals that per acre net return from sericulture is more than that of other commercial crops like sunflower, groundnut, tomato, chillies, tobacco and cotton. Even in the case of double cropping of groundnut or sunflower, gross returns will be less than that of the sericulture.

The returns are comparatively low from sunflower, groundnut, cotton and other crops requires on valuable inputs of water and land. Sericulture makes an economic use of these two valuable resources and ensures for higher returns than any other commercial crops.
TABLE 3.1

STATEMENT SHOWING TOTAL INCOME AND NET INCOME OF DIFFERENT COMMERCIAL CROPS

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Crop</th>
<th>Total Annual Income (Rs.)</th>
<th>Expenditure (Rs.)</th>
<th>Net Income per acre (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sunflower</td>
<td>4800</td>
<td>2616</td>
<td>2184</td>
</tr>
<tr>
<td>2</td>
<td>Groundnut</td>
<td>7500</td>
<td>5243</td>
<td>2257</td>
</tr>
<tr>
<td>3</td>
<td>Tomato</td>
<td>9600</td>
<td>4910</td>
<td>4690</td>
</tr>
<tr>
<td>4</td>
<td>Chillies</td>
<td>15000</td>
<td>7328</td>
<td>7672</td>
</tr>
<tr>
<td>5</td>
<td>Tobacco</td>
<td>17000</td>
<td>8000</td>
<td>9000</td>
</tr>
<tr>
<td>6</td>
<td>Cotton</td>
<td>16000</td>
<td>5600</td>
<td>10400</td>
</tr>
<tr>
<td>7</td>
<td>Mulberry</td>
<td>49500</td>
<td>21500</td>
<td>28000</td>
</tr>
</tbody>
</table>

Source: Directorate of Sericulture, Hyderabad.

The above analysis shows that an acre of mulberry yields comparatively high return to the farmers and provides full time employment throughout the year. Sericulture thus, raises both the income and employment.

**Area under Mulberry Cultivation**

The area under mulberry cultivation in Andhra Pradesh has been rapid, increased from 635 acres in 1970-71 to 19.908 thousand acres in 1990-91 and further to 111.602 thousand acres during 1999-2000. The mulberry sericulture has become an established industry in the areas adjoining to Karnataka plateau especially in the districts of Anantapur and Chittoor. Out of 23
Statement showing Total Income and Net Income of Different Commercial Crops

Fig. 3.1
districts in Andhra Pradesh almost all districts are practicing mulberry sericulture.

Table 3.2 shows that the area under mulberry cultivation in the State has registered a remarkable growth from 1990-91 to 1999-2000. Area under mulberry cultivation increased every following year from 1990-91, except in 1991-92, 1992-93 and 1994-95 years. When there was a relative decrease in it. Severe drought conditions and depletion of ground water levels were the probable causes for this relative decrease during above years. By the end of 1999-2000 an extent of 111.602 thousand acres of land was brought under mulberry cultivation. The increase was mainly

<table>
<thead>
<tr>
<th>Year</th>
<th>Area under mulberry (cumulative in thousand acres)</th>
<th>Variation</th>
<th>Annual growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>19.908</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1993-94</td>
<td>17.727</td>
<td>4.34</td>
<td>32.43</td>
</tr>
<tr>
<td>1994-95</td>
<td>11.368</td>
<td>- 6.36</td>
<td>- 35.88</td>
</tr>
<tr>
<td>1995-96</td>
<td>13.965</td>
<td>2.60</td>
<td>22.87</td>
</tr>
<tr>
<td>1996-97</td>
<td>15.461</td>
<td>1.50</td>
<td>10.74</td>
</tr>
<tr>
<td>1997-98</td>
<td>95.211</td>
<td>79.75</td>
<td>515.81</td>
</tr>
<tr>
<td>1998-99</td>
<td>100.041</td>
<td>4.83</td>
<td>5.07</td>
</tr>
<tr>
<td>1999-2000</td>
<td>111.602</td>
<td>11.56</td>
<td>11.56</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.
due to conversion of the land under food crops and few commercial crops for mulberry cultivation because of its various advantages.

**Reeling Cocoon Production**

With the increase in area under mulberry cultivation the production of reeling cocoons has also increased and decreased substantially. The particulars of production of reeling cocoons in Andhra Pradesh since 1990-91 are given in table 3.3.

**TABLE 3.3**

**REELING COCOON PRODUCTION IN ANDHRA PRADESH**

<table>
<thead>
<tr>
<th>Year</th>
<th>Production of Reeling cocoons (in thousand tonnes)</th>
<th>Variation</th>
<th>Annual growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>32.262</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1992-93</td>
<td>36.414</td>
<td>9.42</td>
<td>34.89</td>
</tr>
<tr>
<td>1993-94</td>
<td>24.511</td>
<td>-11.90</td>
<td>-32.68</td>
</tr>
<tr>
<td>1994-95</td>
<td>22.541</td>
<td>-1.97</td>
<td>-8.04</td>
</tr>
<tr>
<td>1995-96</td>
<td>21.721</td>
<td>0.82</td>
<td>-3.64</td>
</tr>
<tr>
<td>1996-97</td>
<td>22.491</td>
<td>0.77</td>
<td>3.42</td>
</tr>
<tr>
<td>1997-98</td>
<td>24.809</td>
<td>2.32</td>
<td>10.32</td>
</tr>
<tr>
<td>1998-99</td>
<td>30.179</td>
<td>5.37</td>
<td>21.65</td>
</tr>
<tr>
<td>1999-2000</td>
<td>34.193</td>
<td>4.01</td>
<td>13.29</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.

The table 3.3 depicts that the production of reeling cocoons in Andhra Pradesh faced frequent fluctuations during the period.
from 1990-91 to 1995-96. Only after 1995-96 there was steady progress in it and it reached 34.193 thousand tonnes by the end of 1999-2000. It is observed that poor quality of layings supplied by the private grainages, lack of timely supply of good quality layings from the government grainages, use of old and outdated rearing appliances and adverse climatic conditions were mainly responsible for the fluctuations in the production of reeling cocoons. Annual growth rate in 1991-92 was decreased to 16.32 and by end of 1999-2000 shows 13.29.

**Raw Silk Production**

As a result of the steady progress in the field of cocoon production the quality of raw silk production in the State also showed an upward trend. Andhra Pradesh is second largest raw silk producing State in the country.

From the table 3.4 it is evident that the production of raw silk shows a fast growth in Andhra Pradesh. The raw production is statistically analysed in table. The raw silk production in 1990-91 shows only 2.933 thousand tonnes and it decreased to 2.454 by the end of 1991-92 and annual growth rate also decreased to 16.33. In 1992-93 raw silk production increased to 3.138 thousand tonnes and it decreased to 2.228 thousand tonnes by the end of 1993-94, accordingly increase by 27.87 and decrease by 28.99. From 1994-95 to 1996-97, there is a continuous increase
in the raw silk production. In 1997-98 the raw silk production decreased to 0.990 thousand tonnes and it increased by 3.335 thousand tonnes and annual growth rate also decreased to 59.49 in 1997-98 and increased to 236.87 in 1998-99. In 1999-2000 it increased to 3.757 tonnes and annual growth rate also increased to 12.65.

TABLE 3.4

RAW SILK PRODUCTION IN ANDHRA PRADESH

<table>
<thead>
<tr>
<th>Year</th>
<th>Raw Silk Production (in thousand tonnes)</th>
<th>Variation</th>
<th>Annual growth rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>2.933</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1991-92</td>
<td>2.454</td>
<td>0.479</td>
<td>-16.33</td>
</tr>
<tr>
<td>1992-93</td>
<td>3.138</td>
<td>0.684</td>
<td>27.87</td>
</tr>
<tr>
<td>1993-94</td>
<td>2.228</td>
<td>-0.910</td>
<td>-28.99</td>
</tr>
<tr>
<td>1994-95</td>
<td>2.250</td>
<td>0.022</td>
<td>0.99</td>
</tr>
<tr>
<td>1995-96</td>
<td>2.361</td>
<td>0.111</td>
<td>4.93</td>
</tr>
<tr>
<td>1996-97</td>
<td>2.444</td>
<td>0.083</td>
<td>3.52</td>
</tr>
<tr>
<td>1997-98</td>
<td>0.990</td>
<td>-1.454</td>
<td>-59.49</td>
</tr>
<tr>
<td>1998-99</td>
<td>3.335</td>
<td>2.345</td>
<td>236.87</td>
</tr>
<tr>
<td>1999-2000</td>
<td>3.757</td>
<td>0.422</td>
<td>12.65</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.

Infrastructural Facilities

The development of any industry mainly depends upon the available infrastructural facilities. In this context it is necessary to review the infrastructural facilities available in Andhra Pradesh for
sericulture development. Infrastructural facilities in Andhra Pradesh were very inadequate because sericulture was not a traditional crop. As it is a new enterprise to the farmers in the State it took some to build up infrastructure facilities. Since 1974 with inception of drought prone area programme there has been a rise in these facilities in the State.

TABLE 3.5
INFRASTRUCTURAL FACILITIES IN ANDHRA PRADESH

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Infrastructure available</th>
<th>Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Seed farms</td>
<td>95</td>
</tr>
<tr>
<td>2</td>
<td>Government grainages</td>
<td>44</td>
</tr>
<tr>
<td>3</td>
<td>Technical service centers</td>
<td>125</td>
</tr>
<tr>
<td>4</td>
<td>Government chawkie rearing centers</td>
<td>69</td>
</tr>
<tr>
<td>5</td>
<td>Private chawkie rearing centers</td>
<td>202</td>
</tr>
<tr>
<td>6</td>
<td>Cocoon markets</td>
<td>27</td>
</tr>
<tr>
<td>7</td>
<td>Sericulturist-cum-farmers co-operatives</td>
<td>24</td>
</tr>
<tr>
<td>8</td>
<td>Silk Co-operative Societies</td>
<td>324</td>
</tr>
<tr>
<td>9</td>
<td>Silk Exchange</td>
<td>1</td>
</tr>
<tr>
<td>10</td>
<td>Government Twisting Units</td>
<td>10</td>
</tr>
<tr>
<td>11</td>
<td>Reeling units</td>
<td>61</td>
</tr>
<tr>
<td>12</td>
<td>Semi-automatic reeling units</td>
<td>1</td>
</tr>
<tr>
<td>13</td>
<td>Regional Training Centres</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.

The table 3.5 makes it clear that, the government has been creating adequate facilities in order to encourage mulberry cultivation. Disease Free Layings (DFLS) production, rearing of
cocoons and marketing facilities in Andhra Pradesh. The Department of Sericulture has paid special attention to overcome most of the problems in rearing of cocoons, silk reeling, twisting and employment opportunities in the rural areas.

**Swiss Aid**

The mulberry sericulture development programme is being implemented in Andhra Pradesh with the help of Switzerland Government. Indo-Swiss Assistance Programme besides plan allocation. It involves a total outlay of 476.34 lakhs for the period from 1994-95 to 2001-2002. The main objectives of implementing the project are to improve the status of small and marginal farmers engaged in sericulture cultivation and rearing cocoon production.

**TABLE 3.6**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Year</th>
<th>Amount sanctioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1994-1995</td>
<td>116.24</td>
</tr>
<tr>
<td>2</td>
<td>1995-1996</td>
<td>15.10</td>
</tr>
<tr>
<td>3</td>
<td>1996-1997</td>
<td>45.00</td>
</tr>
<tr>
<td>4</td>
<td>1997-1998</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>1998-1999</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>1999-2000</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>2000-2001</td>
<td>100.00</td>
</tr>
<tr>
<td>8</td>
<td>2001-2002</td>
<td>200.00 (Budget Estimated)</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.
The programme includes the construction of (1) chawki rearing centers, (2) infrastructure facilities for silk reeling, (3) mobile disinfection units, and (4) providing training to silk reelers. In addition to the above, it also includes providing facilities for marketing cocoons, and production of bivoltine yarn.

**Guarantees given by the Government of Andhra Pradesh**

Table 3.7 clears the guarantees given by the Government of Andhra Pradesh and outstandings. The Central Silk Board has given finance to Andhra Pradesh Federation of Sericulturist and Silk Weavers Co-operative Societies Ltd, for the purpose to extend working capital to the silk reelers under national sericulture project. In 1999-2000 guarantee 80.00 lakhs at the rate of 4% duration of 10n years. Central Silk Board has also given for 2000-2001 Rs.80.00 lakhs at the rate of 4% duration of 10 years.

Central Silk Board also extended financial support to the A.P.Federation of Sericulturists and Silk Weavers Co-operative Societies Ltd, for the purpose to provide margin money assistance to private silk reelers under National Sericulture Project. In 1999-2000 an amount of Rs.100.00 lakhs at the rate of 4% for a period of 5 years was extended. In 2000-2001 it provided finance to the tune of Rs.100.00 lakhs at the rate of 4% for a period of 5 years.
**TABLE 3.7**

**STATEMENT SHOWING THE GUARANTEES GIVEN BY THE GOVERNMENT OF ANDHRA PRADESH AND OUTSTANDINGS FROM 1999 TO 2000 TO 2000 TO 2001.**

(Rs. in Lakhs)

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Public body to which the guarantee has been given</th>
<th>Institution on which behalf the guarantee is given i.e. the loanee</th>
<th>Main purpose for loan</th>
<th>1999-2000</th>
<th>2000-2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Guaranteed Year</td>
<td>Maximum Amount</td>
</tr>
<tr>
<td>1</td>
<td>Central Silk Board, Bangalore</td>
<td>A.P. Federation of Sericulturists and Silk Weavers Co-op. Societies Ltd., Hyderabad</td>
<td>To extend working capital to the silk reelers under National Sericulture Project</td>
<td>10 years</td>
<td>80.00</td>
</tr>
<tr>
<td>2</td>
<td>Central Silk Board, Bangalore</td>
<td>- do -</td>
<td>To provide margin money assistance to private silk reelers under NSP</td>
<td>5 Years</td>
<td>100.00</td>
</tr>
<tr>
<td>3</td>
<td>HUDCO, New Delhi</td>
<td>APSHC</td>
<td>For construction of Workshed-Cum-Houses to Weavers Co-op. Societies</td>
<td>10 Years</td>
<td>11.00</td>
</tr>
<tr>
<td>4</td>
<td>NABARD</td>
<td></td>
<td>To extend S.T. Credit under RH Refinance Scheme</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>-</td>
<td>191.00</td>
<td>170.52</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.
HUDCO has given to APSHC for construction of workshed-cum-houses to wavers co-operative societies for 10 years duration. In 1999-2000, Rs.11.00 lakhs at normal interest rate and in 2000-2001, Rs.106.08 lakhs at normal interest rate. NABARD also given for the purpose of extending ST credit under RBI Refinance Scheme. In 1999-2000 there is a provision and 2000-2001, finance provided to the extent of Rs.160.00 lakhs.

**Achievements made under Sericulture Industry**

Sericulture is an agro-based labour intensive industry providing gainful employment mostly to rural people. Andhra Pradesh occupies second position in the country in production of silk. Sericulture is an important sector in the economy of Andhra Pradesh. Some sericulture labourers are women thereby supporting a greater role for women in development. Mulberry acreage is mainly concentrated in the drought prone areas of Rayalaseema particularly Anantapur and Chittoor districts.

Table 3.8 shows clear picture that the area under mulberry cultivation in the State was 111602 acres during 1999-2000 against 1,00,041 acres in 1998-99. The production of reeling cocoons increased from 30,179 MTs in 1998-99 to 34,193 MTs is 1999-2000. The mulberry raw silk production increased from 3,335 MTs in 1998-99 to 3,757 MTs in 1999-2000. The sericulture
farmers increased from 1,05,000 numbers in 1998-99 to 1,07,000 numbers in 1999-2000.

TABLE 3.8

ACHIEVEMENTS MADE UNDER SERICULTURE SECTOR IN ANDHRA PRADESH

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Employment generation (lakh persons)</td>
<td>5.28</td>
<td>5.58</td>
</tr>
<tr>
<td>2</td>
<td>Area under mulberry cultivation (cumulative in acres)</td>
<td>100041</td>
<td>111602</td>
</tr>
<tr>
<td>3</td>
<td>CBDFLS production (in lakh nos.)</td>
<td>214.821</td>
<td>217.852</td>
</tr>
<tr>
<td>4</td>
<td>CBDFLS brushing (in lakh nos.)</td>
<td>722.28</td>
<td>810.782</td>
</tr>
<tr>
<td>5</td>
<td>Cocoon production (in MTs)</td>
<td>30179</td>
<td>34193</td>
</tr>
<tr>
<td>6</td>
<td>Raw Silk production (in MTs)</td>
<td>3335</td>
<td>3757</td>
</tr>
<tr>
<td>7</td>
<td>Sericulture farmers (in Nos)</td>
<td>105000</td>
<td>107000</td>
</tr>
<tr>
<td>8</td>
<td>Tasar food plantation available for rearing (in acres)</td>
<td>21000</td>
<td>21000</td>
</tr>
<tr>
<td>9</td>
<td>Tasar DFLs brushed (in lakh Nos.)</td>
<td>5.67</td>
<td>3.32</td>
</tr>
<tr>
<td>10</td>
<td>Tasar cocoon production (in lakh Nos.)</td>
<td>19.42</td>
<td>16.95</td>
</tr>
<tr>
<td>11</td>
<td>Tasar rearers (in Nos)</td>
<td>3000</td>
<td>3000</td>
</tr>
<tr>
<td>12</td>
<td>Silk Weavers (under co-operative fold)</td>
<td>30000</td>
<td>30000</td>
</tr>
<tr>
<td>13</td>
<td>Silk Co-operative Societies (in Nos.)</td>
<td>324</td>
<td>324</td>
</tr>
</tbody>
</table>

Source: Commissioner of Sericulture, Hyderabad.
Andhra Pradesh has the privilege of producing another type of silk called tasar besides mulberry. Tasar industry is mostly practiced by tribals and is a traditional activity. Tasar area is mainly concentrated in Adilabad, Karimnagar, Warangal and Khammam districts. Table 3.8 clearly shows that tasar food plantation available for rearing was 21,000 acres in 1998-99 and in 1999-2000. Tasar DFLs brushed decreased from 5.67 lakh in 1998-99 to 3.32 lakh in 1999-2000. Tasar cocoon production also decreased from 19.42 lakh in 1998-99 to 16.95 lakh in 1999-2000. Tasar rearers were 3,000 in 1998-99 and in 1999-2000. Silk Weavers under co-operative folds were 30,000 in 1998-99 and in 1999-2000. There were 324 Silk co-operative societies in 1999-2000.

**Budget Allocation to Sericulture Sector**

An interesting feature of Andhra Pradesh regarding sericulture development is that the State has utilized all the programmes announced by the Central Government to maximum extent and benefited. State Government also allocate the funds for sericulture development.

The table 3.9 reveals that budget allocation for sericulture development during 2000-2001, under Central Sector scheme was Rs.450.00 lakhs and centrally sponsored scheme was Rs.900.00 lakhs. Total budget allocation was 1350.00 lakhs.
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Central</td>
<td>State</td>
<td>Total</td>
</tr>
<tr>
<td>1</td>
<td>Central Sector Scheme</td>
<td>449.51</td>
<td>-</td>
<td>449.51</td>
</tr>
<tr>
<td>2</td>
<td>Centrally sponsored Scheme</td>
<td>620.73</td>
<td>384.00</td>
<td>1004.73</td>
</tr>
<tr>
<td>3</td>
<td>State Plan</td>
<td>-</td>
<td>300.00</td>
<td>300.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1070.24</td>
<td>684.00</td>
<td>1754.24</td>
</tr>
</tbody>
</table>

Source: Andhra Pradesh Budget Plan 2001-2002 Reports.
Under central sector scheme Rs.324.00 lakhs and centrally sponsored scheme is 2015.43 lakhs. State plan allocation is 100.00 lakhs for sericulture development.
REFERENCES

6. Ibid.
9. Ibid.