CHAPTER - I

Introduction...
The Small Scale industries have been playing a predominant role in the overall economic development of a country like India where millions of people are unemployed and most of the people are capable of making only a small investment. These industries are also considered as important instruments for providing more employment opportunities bringing almost reduction in regional disparities and eradication of economic backwardness of the rural and under developed segments in the country. The development of Small Scale Industry will certainly improve the level of the people of our country. In this context Sri U.K.R.V. Rao rightly said that the promotion of Small Scale Industry has been widely recommended as one of the appropriate means of developing industries in over populated region. According to Rudra’s words, the Small Scale Industries have a number of plus points from the point of view of location, capital, important needs, employment and income distribution.

Unemployment and poverty are the usual features of the developing economies and disguised unemployment is common character of the agriculture sector in developing countries. A large part of labour force in the agricultural sector is unemployed in disguise. In a densely populated country like India where almost 70 percent of the population has render in agricultural sector industrial progress can provide an alternative source of employment.

Small scale industries provide huge employment opportunities next to agriculture. Small scale industries differ from large scale industry. Advantages of small scale industry are that they ensure a more equitable, distribution of national
income, enhance balanced regional industrial developments act as a nursery for entrepreneurship and facilitate mobilization of local resources which might otherwise remain unutilized.

Handloom Industry occupies a remarkable place among the large size Cottage industrial units in the country meeting about 30 per cent of demand for Fabric and generating income and employment. In the size, it is second to the agricultural sector. In Andhra Pradesh most of the looms are in Co-operative sector and a small part of them are in Private sector. Most of these industries are situated in Chirala, Polavaram, Mangalagiri, Pochampalli, Ponduru, Dharmavaram, Madanapalli, Narayanapet, Puttapaka, Somandepalli, Madhavaram, Emmiganur and Gadwal. Anantapur occupies first place in handloom weaving in Andhra Pradesh among with these centres of South, the costal areas of Andhra Pradesh also have numerous centres of weaving.

Over 38,00,000 Weaving industries have been built throughout India and more than 15,00,000 domestic Weaving industries have been set up in the states of North & Eastern parts of India. On the other hand the Southern states also have their huge share of weaving industries.

**Importance of small scale and cottage Industries**

Small scale and Cottage industries play an important role in the growth of national economics in all over the world and is considered to be the engine of growth in most countries. The small scale industries are labour intensive and provide employment.

Consequently, the Government of India had been encouraging and supporting the promotion of small scale
industries through deliberate policies such as protection from large scale industries, capital subsidies, differential tax treatment, reservation etc. The Government continues to provide protection to the small scale sector, inter-alia, through the policy of reserving items for exclusive manufacture in the small scale sector.

**Importance of the Handloom Industry**

India’s passage into industrialization has centered to a significant extent on the cotton textile industry. Tracing the importance of the textile sector in the Indian economy also brings us face to face with the different components such as the mill segment, the handloom segment and the power loom segment that make this whole. These segments differ in terms of output, technology, the organization of production and so on are often placed in competing positions with one another. Competing for raw material, markets etc. These differences render futile if any attempt to generalize about the textile sector as a whole. Indeed, successive textile policies of the government have been an exercise in striking a balance between these segments.

The terms on which these various segments are appraised, however have changed from time to time. For instance, while earlier policies stressed the employment potential of the handloom industry and sought to strengthen it with appropriate measures such as the provision of adequate yarn, reservation of products, etc., considerations such as productivity and competitiveness have become the ruling factors in judging performance of sectors over the last decade.
Not only the handloom sector become dependent on yarn produced by mill, but also faced increasing competition from cloth production by mills which began in the period of the First World War. A competitive relation between the two sectors emerged. The problems being faced by the handloom industry came to be first emphasized in 1928 by the Royal Commission on Agriculture, "Which expressed the view that the development of this village industry on co-operative lines was essential to the survival of weavers in the face of increased competition from organized industry" (GOI, 1986-87). Between 1920s and 1930s handlooms continued to grow. This could be attributed to the nationalist movement and the demand for swadeshi cottons as well as an increase in demand for cloth during the Second World War.

However, yarn prices rose phenomenally due to war conditions (especially during the Second World War) pushing raw materials out of the reach of weavers\(^2\). According to one estimate, "Compared to pre-war levels the price of yarn had increased from 600 to 700 percent, while the price of handloom products had risen only by 200 to 250 percent, with the consequent closing down of many looms". It was realized around this time that the livelihoods of handloom weavers was be adversely affected by the indiscriminate expansion of mills. Consequently, through the functioning of spinning mills was not interfered with the growth of the mill sector was regulated. Certain concessions came to be given to the handloom industry, while excise duty was levied on mill cloth. Besides these concessions the weavers who depend on the industry has
been suffering from inadequate income and nutrition diet and there by existing Anemia in them.

Weaving is a textile craft in which two distinct sets of yarns or threads called wrap and filling or weft (older wool) are inter laced to form a cloth or fabric.

The wrap threads run length ways on piece of cloth and the weft runs across from side to side, across the bolt of cloth. Cloth is woven on a loom, a device that holds the place while filling tureds are even through them weft is an old English word meaning “that which is woven”.

The way the wrap and filing threads interloee with each other is called weaving. The majority of woven products are created with one of three basic weaves. Plain weave is a tin or can be woven in decorative or artistic designs The handloom societies in Andhra Pradesh are organized as a two tire structure located with in the state of Andhra Pradesh.

Weavers and their families in Andhra Pradesh in general face hunger and starvation to food in particular in Anantapur and Karimnagar Districts. The state cabinet decided to waive loans for all individual weavers & weavers’ societies.

Weavers in India, as a manufacturer and exporter provides a complete range of home furnishings with authentic styles in genuineness of design.

Silk thread has a long history. Silk production was started in China around 2,600 B.C. For a long time, secret death sentence was imposed for stealing silk moth or its eggs or who reveals the secret of silk making. However, knowledge of silk making was brought to India long time back and
immediately it became a cottage industry since time immemorial, silk industry provided employment to several people. For centuries, silk fabrics made in our country were in great demand all over the world. However, now Japan and China occupy the first two positions and we are in the third position.

Uses of Silk

Silk fabrics are bright, strong and light in weight. They preserve heat very well. They specially indicate the Indian traditional customs. People wear specially on the important occasions. Silk cloth is prepared from natural sources. It is used in medicine (to suture wounds or during surgeries and in aviation industry (to make parachutes, balloons etc).

Preparation of Silk Cloth

Silk is prepared from the cocoons. When the cocoons are fully formed, they are transferred to boiling water for short time to kill the worm which is inside the cocoon. The cocoons are dried and sold in the market or sent to reeling units for the recovery of silk thread. From each cocoon 1000 mts of silk thread is obtained.

Silk is finally separated without any twisting through winding machines. The full bobbins have to be removed from the machine manually and require judging the desired size. The manual intervention of replacing full bobbin with an empty bobbin core while the tapes are continuously extruded requires a fair degree of human skill and the use of energy consuming aspiration guns with about 250 winding
position coupled to a tape extrusion line and need to deft arising every 30 minute or so, man hours demanded are also considerable.

Automatic change over from full to empty tube, actuated at present length or present bobbin diameter fro all or groups of winders coupled to the same tapeline is possible.

This eliminates the need for human skill required to doff full bobbins at line speeds of up to 450 m/min and also eliminates the need to use aspiration guns. With aspiration guns out of the way tape sucked away during manual doffing is entirely eliminated as well.

Further, the tape production is a continuous process and replacement of full bobbins with empty tubes is manual and in sequence, the length of tape in every bobbin will be different. In the subsequent process, that is weaving, the unequal length bobbing will run out at different times and six shuttles circular weaving machine will stop 6 times before all the wept bobbins are replaced with new ones before the next weft change. This not only results in lower weaving efficiency but also increased chances of fabric defects since every stop, start in weaving can cause a fabric defect. If all bobbins are changed at the first run out of weft, the machine efficiency will improve but weft wastage will increase prohibitively.

The limitations posed by present day tape winding technology are eliminated in one stroke by using the auto roto winders by producing equal length bobbins. Equal length bobbins can be expected to run out almost at the same time there by minimizing waste and maximizing weaving machine efficiency.
Another significant advantage of doffing on a stationery spindle is that the loose end of the tape can be fixed on the bobbin by an adhesive tap. This ensures that the outer layer is not distributed in the transportation of bobbins and the stripping of outer layers before use, a very common feature in all sections of the industry is avoided. In addition tail are created in the bobbins; this facilities package transfer in high speed modern flat shuttle lass weaving machines.

Step precision winding is done with EGB (Electronic Gear Box). The constant winding and cross angle ensures that the unwinding tension is uniform in the subsequent process. This feature helps in the quality of the end product and better production efficiency.

Some years back 900 picks/min was thought of as a good production sped for a 6 shuttle circular weaving machine. Today improved engineering and design features were present on the ace6-a, 6 shuttle circular weaving machine with achievable production speeds of up to 1000 ppm. The difference may only be 100 ppm but for a 6 shuttle circular weaving machine this is probably more landable than increasing the speed from the earlier 70 ppm to 900 ppm through migration of 4-shuttle circular looms to 6 shuttle circular looms.

From winding machines silk is separated line fine threads which in turn transfer on to spindle shaped structures called boats. Silk from boats is separated into tiny threads for manufacturing silk cloth. In hand looms weaver uses his handle and legs to work that loom. Thus silk cloth is manufactured through hand looms.
Today the Indian silk industry is playing a major role in the global scenario and growth prospects for the sector appear to be bullish. Measures such as promoting further economic and technological research in various sericulture, standardization and quality control of silk and silk products and the streamlining of marketing, stabilize prices of silk cocoons and raw silk that could expand rapidly than ever.

To meet the demands of industry and of export market for silk, Government of India established Central Silk Board, which helps silk farmers in minimizing the loses and improving the quality and quantity of silk production. In India, Karnataka is the major silk producing state and in Andhra Pradesh, Anantapur and visakhapatham districts are producing centers.

The weaving industry in India has self depending mechanism that includes training the young weavers’ abundance of resources and capacities, there by helping the industry not to be dependent on the Government. In addition weaving is eco-friendly and is aimed at the cutting back on the environmental impact.

Giant electric looms weave the most complicated patterns automatically. Knitting machines with hundreds of needles turnout knitted fabrics. Other machines make delicate laces that could once be made only by hand and hand looms. Thus, the basic changes that were brought out in textile machinery have stressed increased production, greater efficiency and quality control. Electronic controls were also employed in recent years to insure uniformity of the silver, snubbing, rowing and yarn.
Recent developments in looms

The policies of the Government are not favourable for both hand looms and power looms. Majority of the weavers attribute their distress to the negligent intervention of the Government. Particularly, the reforms introduced and the recommendations of the committees appointed were blamed as these are the main responsible factors for the downfall of weaving industry in recent years. Following are the latest Committees and policies for the development of Hand looms.

The new quota policy

A new quota policy has been announced for the textile sector for the period 01.01.2000 to 31.12.2004 by the Government. This policy seeks to maintain continuity and stability in exports and prepares the exports for facing the challenges of the post quota regime beginning from January 2005. In addition, it aims at better utilization of quotas and discourages trading for quotas. Two other major initiatives are Cotton Technology Mission (CTM) and Technology Upgradation Fund Scheme (TUFS).

The CTM has four mini-missions dealing with improving productivity and quality of production and orders dealing with problem of minimizing contamination and improving, existing ginning and pressing facilities. In spite of the allegation that powerlooms are considered to be the rivals of handlooms, its contribution is steeply increasing over years, coupled with a decline in the share of handlooms in the total cloth production particularly during the post-reforms period.
Structure of Handlooms

Despite large-scale expansion of modern textile industry in India, handlooms continue to occupy a prominent place in the country’s total economic output. It is essentially a household industry and all the family members work as one unit as the head of the household performs the manufacturing work, whereas other members of the family do the supporting or ancillary role. Work and burden is divided on the basis of age and sex. In general, the socio-economic conditions force the weavers to depend upon external agencies for infrastructural facilities. Some of them work independently, some of them form organizations and others seek outside support.

The organizational structure of the industry could be divided into four segments. They are:

- Independent weavers;
- Master weavers;
- Co-operative sector and corporate sector.

Co-operative Sector and Handloom Industry

It has been considered that handloom, being a household industry, can best develop in the co-operative sector. There cannot be a more non-exploitative institutional mechanism than co-operatives of the weavers owned by themselves for their common collective good. Cooperization of handloom has thus been the major plank of the co-operative policy for a long time so as to cover all stages of the process relevant to the weavers. It was felt that the co-operative sector can remove the inherent weakness in the organizational
structure of the industry. It can also render assistance in marketing and finance needed by the small units of the industry.

**Structure of Co-Operatives**

The structure for weavers co-operative societies is primarily two tiered in general, i.e., Primary Weavers Co-operative Society (PWCS) at the village level and APEX Society at the state level. But in the state like Bihar, Karnataka, Rajasthan, Maharasra and Andhra Pradesh there is a three-tiered structure of weavers co-operative societies. They are PWCS at village level, Regional Co-operative Society at District level and APEX Society at the state level. In each state, there is one APEX Society except Rajasthan, Andhra Pradesh and Maharasra, where there are Sources of NABARD reveal that there are 12,377 primary societies, 98 industries, all the societies in India are grouped under All India Handloom and Handicraft Board (AIHBB)

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 requirements 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. Textile industry is one of the oldest non agricultural occupations in India. Traditionally handloom sector was only popular in each and every village offering employment to a sizable section of population in the ancient village economy.
Handlooms and powerlooms

The textile industry in India comprises two sectors – organized mill sector and unorganized sector consisting of handlooms and powerlooms. The inner bottleneck weakness of these two sectors, led to the proliferation of powerlooms in the Indian Economy. Today powerlooms play prominent role in fulfilling the avowed objectives of planning i.e. utilization of idle money and human resources and meeting the clothing requirements of the masses and contributing to the national exchequer. India occupies the second place in the world in the product of silk and after the agriculture more people depends on handloom weaving for their livelyhood, so for many Academicians researchers and historians have conducted several studies to know the problems of handloom weavers, some of the studies are presented below.

Review of Literature

V.B. Angadi had tried to focus light on the economics of powerloom and Handloom Industries in Karnataka in 1976. The analysis of costs in Handloom and Powerloom was discussed in his study. The Socio-Economic conditions of the powerloom and handloom weavers were not examined by him. No attempt was made in the study to know about the organizational and marketing structures.

The importance of Handloom Industries in Tiruchy district of Tamilnadu is clearly known from the work of S.Hariharan. He discussed the contributions of the Handloom Industry, taking into the consideration of employment and earnings of foreign exchange to the country. He has rightly
observed that instead of aiming at helping and sustaining a stagnating industry, the need is for making it a really self-sufficient industry, more dynamic, more competitive with faster rate of growth.

He further states that the rate of growth of Handloom Industry is not adequate even though the industry has been growing. Further, he states that the rate of growth should be improved. He admits that the possibilities are greater for the production of new varieties of sarees and shirtings in the industry and the encouragement on these lines, must be given priority along with promoting the skills of artists, making new designs for the sarees.

He is also of the opinion that the shortage of working capital can be met through the pursuit of a more liberal policy by the commercial banks. According to him the Handloom Industry must be treated as an important sector in Indian economy. As the same time, provision of working capital is a must and is made easy to this sector and regarding these instructions should be given to the nationalized banks.

A major piece of R.G. Kokade, the ‘Socio-economic Survey of Weaving Communities in Sholapur’ is worth mentioning in this connection. The work was undertaken with a view of studying the Handloom Industry of Sholapur, one of the prominent places of Handloom Industry in India. In a comprehensive and detailed way to study the sociological aspects of the communities engaged in the industry. Kokade stated in his study with a through census of the weaving communities of Sholapur. He had followed ‘systematic
sampling' method and the data were collected by personally canvassing and questionnaire.

Out of a total of 1,376 Karkanas, 107 units were representative both in character and size were selected for intensive study. The socio-economic conditions of 541 families were studied out of 7,870 Padmasali families (Weavers). Apart from this, another 60 families were selected on a random basis from communities other than Padmasali. It was indicated by the investigator that how the Handloom Industry had been facing the severe competition from mill industries and the power looms industries.

In order to protect the Handloom Industry, from the mills and power-looms, very valuable suggestions were given by him. According to him, there are four possible ways of protecting Handloom Industry from the competition of mills and powerlooms.

They are:

- Completely prohibiting mills from producing those goods that are produced from Handlooms and in which competition exists.
- Without restricting mill production, regulating mills through the market by dividing it between the mill industry and the Handloom Industry, under a statutory enactment by imposing duty, if necessary to prevent encroachment of the Handloom market by the mill sector.
- Without restricting the production of mills to impose a duty on mill made cloth which enters into competition with the handloom weavers.
- Without restricting the output of the mill cloth by paying subsidy or subvention to the handloom weavers on the basis of their production.
Mohapatro's work on the role and "Handloom Industry of Orissa" is also worth mentioning. The relevance of Handloom Industry to the economy of the State is early examined. The general features and characteristics of the industry were also scrutinized and examined by the author. Capital and organization structures of the industry were given due coverage in the study.

In addition, the incomes of the weaving households and their economic conditions were analyzed. In order to achieve painless progress development in the industry, a planned programme was proposed. By introducing gradual technological changes in the industry the development may be possible. Another work worth mentioning is that of Nagen, C.Das Viz., "Development of Handloom Industry – Organization – Production and Marketing". It is based on his Ph.D thesis, submitted to Gauhati University.

Nagen, C.Das, in his work, explained in detail the historical background of the origin and development of Handloom Industry, its relevance to the state economy, organization of Handloom Industry in co-operatives and non-co-operatives, production and inputs and outputs, marketing, finance and modernization of Handloom Industry etc. The author also made some suggestions for the better progress of handloom industry. The development and growth of the primary and central weavers societies was being encouraged under the schemes of handloom development. Even though, the societies were assisted; any marked development and progress could not be shown by the societies during the later years.
The reason given by the author for the poor state of co-operative system in Assam was the reluctance of the weavers to become members of weavers co-operative because of the inability of the societies to deliver the goods and services required by the members. The author suggested that processing facilities should be improved through the Governmental assistance and intervention. The State Government should come forward for their rescue.

He also suggested that primitive looms should be replaced by modern looms. The marketing problems of Handloom cloth are clearly given by the author. The individual weavers due to lack of marketing knowledge were not well benefited. So, they dispose off their products through distress sales. The researcher had the opportunity to acquaint himself with the nature of marketing problems faced by the individual weavers.

It was stated that some weavers because of their indebtedness to village traders of financiers were required to sell their products at throw away prices. Some merchants also directly dealt with individual weavers by supplying yarn and buying back the cloth. Finally, the author suggested that a comprehensive plan is desirable for the industry and that it should embrace all the aspects of handloom viz., production, promotion and development.

Prof. N.G. Banga in his survey conducted during 1925-26 entitled "The Economics of Handlooms" explained the Mungari System and apprenticeship system which showed that monthly earnings of the weavers ranged from Rs.8/- to Rs.25/- depending on their hard work and that in a majority of
the cases, the income was not sufficient to make both ends meet and that they were heavily indebted. The position remains the same even now.

Starvation deaths also are reported. It was the opinion of the writer that as the skills and performance of the weavers were of up to the mark, so they were also to bring new designs and methods in the production. The level of poverty was also estimated by the writer for the handloom weavers. According to the writer, inefficient and heartless employers badly exploited most of the workers. A proper system of Trade Boarders was urgently the need of the hour to safeguard their interests. The writer advocated the setting up of the better seizing machines and common workshops facilities to make it possible for the woman members of weaving household to take part in this work.

A.V. Rama Rao, in his book entitled “Economic Development of Andhra Pradesh” has narrated how the Handloom Industry had suffered under British rule and gave a detailed account of various handloom centers and products produced in the State of Andhra Pradesh.

L.K.G. Srivastav, in his article on “Handloom in Madhya Pradesh” explained the progress of the Handloom Industry under centrally sponsored schemes. The author opined that there was need for a new approach and strategy. In the new strategy initially, priority has to be given for making the handloom cloth more and more popular and the availability of it to the consumers at reasonable rate if not cheaper than the mill made cloth.
The work of Subramanyam and Ramamohan Rao on “Socio-Economic conditions of Weavers in East Godavari district” (1982) is worth mentioning here. The social and economic conditions of the weavers in East Godavari district are understood by the study of this book. It is also known that the industry is being dominated by the master weavers. A little more than half of the weaving work by the master weaver and 30 per cent work by the co-operatives and only seven per cent were independent producers.

Prof G. Subramanyam, Dr.B.Ramakrishna Rao and Dr.K.Ramachandra Rao have conducted two studies. One on the socio economic conditions of weavers in East Godavari district, Andhra Pradesh and the other on Handloom Fabrics and Consumer Behavior in Prakasam district of Andhra Pradesh. However, the people of these studies are limited in nature and no attempt was made to know the performance of the primary weavers co-operative societies.

The Loom of Independence by Y.Arterburn in a case study of “What makes co-operative succeed rather than fail”. The author points out that the reason for the success of silk handloom weavers in Kancheepuram in India. The full and grateful control over the co-operatives is the main reason for their success. It analyses how weavers have an indigenous ethic of brotherhood and quality and use skills and craftsmanship as a source of pride.

The National Council of Applied Economics Research in the year 1958 conducted a survey on Handloom Industry in four districts of Karnataka and Sholapur covering the problems relating to the household units, the production,
organization and marketing activities are clearly discussed in the study. But the study did not cover the socio-economic conditions of the weavers.

A survey of Handloom Industry was conducted in 1959 by the All India Handloom Board in Madras State. The problems, which are not discussed by the National Council of Applied Economic Research, are clearly discussed by The All India Handloom Board. The socio economic profile of the weavers, the organization, production and marketing activities of the handloom units in Tamilnadu are clearly covered. However, the study did not deal with the primary weavers co-operative societies, which established for the upliftment of the downtrodden weavers in the Handloom industry.

Ranga (1930), conducted a survey during 1925-26 over a period of six months in different parts of South India including the Andhra Pradesh. His unique contribution gave a good account of the important handloom centers of production and analyzed the nature of economic organization, structure of the markets and pattern of production. This study was the first ardent and authentic account of the structure of the handloom industry in Andhra Pradesh.

Kakade (1947) analyzed the socio economic conditions of weavers of Sholapur city in 1939. The Primary aim of the survey was to study the organization of the industry in Sholapur, one of the biggest centers of handloom weaving in India, in a comprehensive and detailed manner and to study the sociological aspects of the communities engaged in the industry.
The Council of Scientific and Industrial Research (1957) pursued an extensive survey on handloom industry in 1957. The study focused much more attention on the technical aspects 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 felt more substantial help becomes apparent.

Abdul Zahir (1967), enquired into the problems of handloom industry in Varanasi. His work mainly focused on the operational problems of the industry. The study observed that the handlooms have been suffering from dearth of raw material. So, they can be supplied necessary raw material and open supply centers with Government intervention and provide raw material directly to the weavers at subsidized rates.

David Anterro Aloysins (1960), observed various aspects of the handloom industry. The main aspect of the industry is the problem relating to the production side and marketing side. The study obviously observed that the producer fixes very high rates to the handloom products. Hence, he felt that the Government should supply the raw material to the weavers at subsidized rates to boost the handloom industry.

Planning Commission (1967) conducted a study on the impact of handloom development programmes on employment and earnings amongst weavers. The study widely observed that the co-operative member households gained relatively more and recommended the substantial working capital towards production and marketing activities.
Venkateswaran Committee (1964), enquired into the development of handloom industry during the Fourth Five Year Plan. It recommended that a legitimate share of superfine yarn imported should be provided to handloom sector. The supply and marketing societies should be converted into production-cum-sales societies as quickly as possible. The State Financial Corporations should finance handloom sector. The working group enormously emphasized on the need for intensive and immense publicity and propaganda. Finally, it suggested for the setting up of export promotion council for handloom textiles.

Rao (1972) observed that the employment in handloom industry is booming large because the weavers are trying to change their profession and shift to alternative works due to the inadequate financial support from Government. It is identified that the weavers are facing the acute problem of high hike in the raw material cost, scarcity of the necessary inputs and lack of proper product marketing and financial facilities.

Nanekar (1968), 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 gives marginal benefit to the weavers and may bring about some stability in their incomes. The long-term and significant improvement in the earnings, however, largely depends on the productivity of labour, a problem ultimately associated with the techniques of production.

Sinakandhan (1972) identifies various prominent problems regarding handloom industry. The weavers were
suffered a lot owing to lack of proper organizational support, the hike in the raw material cost and the problem of fan city marketing facilities. The study concluded that the Government should give utmost priority to allocate resources to develop the industry.

Yagaiah (1973) identified that handloom industry was facing the problems of supply of yarn, raw material and marketing. To develop and prosper the industry in future, the Government should give top-most priority in five year plans and improve the marketing of handloom cloth, supplying the yarn and related raw material at cheaper rates.

The National Institute of Rural Development (1977) made a critical analysis on handloom industry and concluded that the new development plan for handloom sector is in the preliminary stages of implementation. It also profusely opined that by concerning the magnitude of the problems encountered by the handloom sector, the Organization of the Commissioner for Handlooms requires to be expanded with Regional Offices in the states where the industry is copiously concentrated.

Sharada (1979) found that handloom weavers are suffering from the problems of unemployment and under employment and have been living below the poverty line. The weavers are facing the problems of acute scarcity of yarn and necessary inputs.

Sharma (1980), in his study stated that the Government made myriad programmes for the benefit of the handloom weavers, but the weavers did not claim and receive iota benefit from any sources because of the middlemen and
the master weavers have taken away all the benefits, who could get yarn and raw material for subsidized rates in the names of weavers and appropriated the benefits.

Arunachalam (1980), in his study observed that various government policies towards handloom industry were centre of contradiction. It revealed that the Governments have spent oodles of resources to agricultural sector and other large scale sectors and neglected the handloom sector. It is the root cause for the main problems of handloom sector and concluded that Government should give prime priority to prepare plans and allot vast resources to handloom sector.

Chakraborthy (1982), in his study felt that the quality of the handloom products has vitiated. Because of the hike in the raw material the weavers used cheaper quality of colours and thus the consumers preferred mill made and numerous weavers lost their employment and kept their looms idle. He concluded that to avoid this type of situation, the Government should supply the raw material at subsidized rates.

Rajula Devi (1983) felt that the handloom industry at last has fallen into deeper crisis, owing to lack of adequate financial support. She observed that the Government should take care of the handloom industry by allocating more resources for development of the industry.

Goel (1984) emphasized that there is need for financial assistance to handloom co-operatives. He strongly felt that handloom co-operatives are facing the problem of lack of proper financing facilities. He concluded that to provide financial facilities to the weavers and to the weaver’s
co-operative societies, the Government should spend much more resources.

Venugopal's (1983) study on "Marketing Problems of Handloom Industry in Venkatagiri Town" was aimed at analyzing the marketing operations and identifying the channels available through which the products of handlooms are distributed and sold. The study suggested multifarious measures to increase the marketing facilities.

Sudhakar Rao and Purushotham (1986) studied in detail the employment generation capacity of the handlooms. They have estimated the underemployment and unemployment prevailing among handloom weavers. The study throws light on the existing institutional support such as supply of raw-materials, credit and marketing of fabrics needed for the overall development of handloom industry.

The study also suggested various measures and opined that both policy and programme should be related and are necessary to safeguard and strengthen employment factor in the industry.

Lajpathi Raj and Sathyanarayana (1987), discussed the employment generation in Industrial Estates and Coastal Andhra Pradesh classifying the industrial units into three grades namely A, B and C, where category A was working satisfactorily, category B working economically and viably and C below the desirable level. The author pointed out that all the working units in the industrial estates have utilized the locally available resources at galore.

Among the problems faced by the SSI, the study has pointed out that around 70 per cent encountered marketing
problems, around 40 per cent faced the problems of raw materials, 38 percent power problems, 35 percent faced the problem of finance, 26 percent faced labour problems and 17 per cent faced managerial problems.

Mahapatro (1986), made a modest attempt for a comprehensive and integrated study and economic analysis of the cotton handloom industry in Orissa. It was the first of its kind in Orissa, which was largely exploratory in nature. The study observed that the economic conditions were not sound and there existed a strong association between the weaver castes and weaving activity. The industry was found to be caste based.

After studying the economics of cotton handloom weaving, it was concluded that product diversification in favour of superior quality fabrics was desirable for enhancing the income of weavers and this sector should be protected from the competition of the mill sector by suitable Government policies than to make it economically viable to ensure its healthy growth. Introduction of superior and sophisticated technology, the author felt, was vital for the survival of the weaver. Hence, handloom should be converted into powerlooms on a selective basis at the household level but in co-operative fold on a phased manner.

Sarangapani (1987), surveyed two important centers in Coastal Andhra, namely Mangalagiri and Pedana and studied the socio economic conditions of handloom weavers in both the regions and divided the industry under four categories of establishments viz.
➢ Independent Weavers
➢ Weavers working for master Weavers
➢ Weavers working for co-operatives
➢ Coolie weavers.

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

C.S. Rayudu (1988), made an ardent attempt to collect statistics and other information relating to decentralized textile industry in co-operative sector of Andhra Pradesh to trace out the growth and development of co-operatives in producing fabrics. The analysis of the work dealt with the contribution of co-operative societies to capital invested, production and employment and to identify the problems and to suggest the measures necessary for improving their financial performance.

This study also evaluated the performance of Cotton, silk and wood co-operatives, powerloom co-operatives, primary co-operatives and handloom co-operatives in India. Stressing the need for Government’s support services, the study too has pointed out that they have not reached the small cottage manufacturers in the villages. For a successful rural based industrialization, the authors gave immense importance to public investment transportation, communication and electrification in rural areas especially in the remote hinterlands.

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

Chandra Sekhar Rao and Prasad (1989) felt that the handloom industry is facing with 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 miserably 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 with the adequate yarn.

Rajya Lactic (1990), in her mandal level study analysed the socio economic conditions of weavers registered with co-operative societies in Proddatur mandal of Kadapa district. She made an attempt to present socio economic conditions of the weavers to assess the economic aspects of the handloom industry and contribution of handloom industry to income and employment generation. She also laboured to highlight the problems confronted by the weavers co-operative societies.
Noor Basha (1991) opined that the handloom industry has fallen into severe crisis in 1991 and more number of weavers in the state is facing the problem of dire poverty and under employment. More number of co-operative societies in the state was running dormant on lines. To mitigate the problems of the industry, the Government should implement reservation of certain items for handloom sector and supply sufficient yarn to the handloom weavers.

Venkata Subbaiah (1991), found that the weavers were living below the 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 centers and learn modern skills. He has suggested that more number of service centers should be opened and proper training should be imparted to the weavers to adopt the modern skills.

Vikram (1992) stated that the handloom industry has great importance 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 items, levy of heavy additional excise duty on mill made cloth and subsidy to the handloom cloth are dire necessary.

Harish Govind (1993) analysed the conditions of the weavers of Balarampuram in Kerala State. Most of the coolie weavers are working under master weavers. They worked on an average for 12 hours a day and each person got a meager daily wage of Rs.25/-. The labour weavers income was not sufficient and so, they had to depend upon master weavers.
Most of the co-operative societies were run under the control of master weavers or hired weavers. The master weavers used to pocket the funds earmarked for handloom made available by the Central and State Governments and other agencies in the name of default members.

Shah Dhevan (1994), analyzed the importance of Small and Medium Enterprises (SMEs) development in the context of inter firm linkages and demonstrated how the recent changers in industrial structure are providing opportunities for this type of development in four East Asian countries namely, Malasia, Singapore, Indonesia and Thailand.

The author brings out the advantages of sub contracting in creating inter firm linkages. He viewed that the transaction costs, product differentiation and research would make the sub contracting more attractive.

Sreenivasulu (1996), in his article made a critical review of the provisions of 1985 Textile Policy and analyzed the comparative position of handlooms vis-a-vis the mechanized mill sector and powerloom crisis following the policy shift and dealt with schemes introduced as part of the Government's response to the handloom crisis and also analyzed the implicit perceptions and prescriptions.

Abdril Hassan Sathali (1996) in his analysis on leather garments industry has studied the problems faced by the leather garments industry in Madras district. The author finds that even though there was skewed distribution of economic resources across the groups, in this industry, the average productivity ratios were uniformly distributed in all
the reference years indicating efficient performance in general.

Shuji Uchikawa (1998), made an attempt to clarify the structural change of India’s Textile Industry, focusing on exports of fabrics and garments. This work provides a proper understanding of the multi mode of production from dynamic view point. Particularly in chapter IV he explains and presents a detailed picture of competition that exits among the four sectors of Indian Textile Industry - the Khadi, handloom, power loom and mill sectors. The last chapter was devoted to explain the influence of economic reforms particularly on textile industry.

"Eenadu daily" (1998), reveals that handloom weaving is not an occupation. It is an inherited art, which represents our civilization, style of living and hence weavers are not laboures but artists, they should be sufficiently honored by providing necessary support in all aspects of handloom weaving.

However, many handloom weavers interviewed reported that these artists who have weaved the beautiful sarees which could be put in a match box are now wondering on the streets in search of employment and migrating to other places to get employment as agricultural labourers. They have reported that price hikes of yarn, competition from power looms and the bogus co-operative societies were the chief factors that pushed them to the ranks of wage labourers.

Gopal Chetty (1998), in his work on “Problems and Prospects of Weaving Industry in Chittoor district” made an attempt to review the progress of weaving industry with a
review of socio economic conditions of the sample handloom weavers. He made a modest attempt to assess the employment potential and income generation in weaving and also evaluated the production pattern, cost structure and marketing practices.

Tirthankar Roy (1998), in his article entitled “Development or Distortion?” Powerloom in India, 1950-1990 made an attempt to illustrate the history of power looms, during 1950-90, the development of power looms in post reform period the impact of Government Policy and the relative position of powerlooms to mill sector. He argued that the growth of powerlooms was not due to government intervention but it owes to general pattern of industrialization.

Recent policy changes having strengthened this pattern as well as exposed some of its critical weakness. The economic reforms strengthened them further. He felt that technology during the next decade will certainly have a singular impact on the profile of the powerloom industry.

The study inferred that education played a positive effect on weaving particularly getting awareness in marketing conditions. Majority of the weavers are migrants and most of them have come from other occupations. He also observed that weavers with higher number of looms are getting higher incomes than others and there also exits varied regional variations.

The study observed that on an average, the weavers were getting 210-300 days of employment in a year and weaving a variety of cloths. Raw material cost was found to be high in the total cost of production. The produced cloths were marketed through APCO and cash sales dominate in total
market. Other modes of sales like credit, cash advances and a combination of both cash and credit were found in the study area.

It is observed that weavers in Chittoor district have been encountering many problems like fluctuating prices of yarn, irregular supply of raw materials. Particularly, the unregulated growth of power looms has given a threat to the development of handlooms in district.

Rasure (1999) attempted to find out the trends of production in quarrying industries in Hyderabad – Karnataka region and estimated the effects of different factors on production. Seasonality in production, significant roles played by cost structure, important role played by working capital, a larger share of owned funds in investment and variation in the capital out put ratio are the main conclusion drawn by the study.

Mathew (1999) evaluates the various committees’ reports and the official policy on small enterprises. Discussing the recommendations of Abid Hussain Committee Report, the author has pointed out that the report keeps silent on the role of unorganized micro enterprises which provide employment opportunities to millions of people in this country.

The author finds constructive elements in the recommendations of Ashok Mitra Committee which underlines the importance of poverty eradication and role of small scale industries in our country. He praised the recommendation of improving the scientific bases of data collection and keeping
in abeyance the deregulation of small scale sector stating the latest policy on Small and Tiny industries as ambiguous.

The author finds the present development as a result of private initiatives rather than by the promotional role of Government. The author does not want a change in the existing policy which has not made any significant impact on the SSI growth.

Tirthankar Roy (1999), in his study on the Growth and Recession in Small Scale Industry Particularly, Tamilnadu Power looms Industry, brings out the poor performance of this industry during an export recession in 1996-98. To deal with the handicaps, this paper suggests that some recent changes in organization and technology in the industry can be seen as attempts to deal with this weakness⁹.

Trilochan Sastry (1999), in his paper looks at the issues faced by the small firms. It focuses on this issue from operations perspective and discuss five stages namely myopic stage, defensive response, coordinated response, full response and competitive stage in the evolution of small firms that could help to grow and gain higher margins for small firms.

Narayana Reddy (1999) has made a study on the village industries in Goa in terms of raw materials availability and various sources of finance. He says that even though there is a presence of demand for the products of village industries but there is no appropriate system to understand the market behavior of the organizations concerned with village industries which are acting as mere financial supports.

Mohan Reddy (1999), made an attempt to ascertain working capital management practices in different
small scale industry groups in the five industrial estates in Kadapa district of Andhra Pradesh. Management of working capital by owners, adoption of different methods of estimation, absence of following any particular method are the main observations of this study.

Tirthankar Roy (2000) discussed the plight of traditional industry or handicrafts during the British rule. The author says that the traditional industry did not decline but changed in organization and character and revealed that these changes shaped the future course of Indian industrialization.

According to the author the industrial organization has changed in two ways one is long distance trade had made information and working capital as essential resources and another is competition among manufacturers led to specialization and division of labour. He rejected the explanation that the decline in employment was the result of competition between nations of unequal technological capacity.

Siva Kumar (2001) reported that the real villains of the piece are the successive governments at the Centre, or more specifically, their textile policies. The textile policies since 1985, which seek to liberalize, modernize and privative the industry has systematically marginalized over 40 lakh handloom weavers.

As ill-luck would have it, the traditional weavers of Andhra Pradesh had neither the means nor ways to invest in modern and sophisticated technology master weavers to help them adapt to changing consumer tastes. With their products, becoming uncompetitive in the market, stocks mounted,
availability of work began to decline the weavers faced unemployment, mounting debt, starvation and consequently death.

Lakshmipathi, Daya Sharikar and Ramesh Babu (2001), reported that the government is copiously concentrating on ad-hoe welfare measures for the distressed weavers in the state but they need long-term measures which can offer permanent solution to the plight of the weavers. Further they said that the plight of the handloom weavers is attributed mainly to the non-receipt of payment for cloth they sold to Andhra Pradesh Handloom Weavers Co-operative Society (APCO).

Kancha Ilaiah (2001), in his study entitled “Andhra weavers can get in a time warp” found that the shift from handlooms to power looms changed the very structure of the weaving operation itself. Power looms are huge iron machines, which require a whole range of repair and other knowledge processes. Most of the illiterate Padmashalis felt that they were like cut-off yarn in the loom. Power looms also displaced and related the labour.

One man could operate four power looms at a time. Padmashali (caste) women could no longer be employed around power looms, as they were in the pit loom economy. Unemployment among Padmashali grew because of this transition. This had its psychological impact as well, causing suppression, depression and domestic entanglements. In a bid to help the weavers, the state provided some reservations for production and assured markets.
Till the globalization process began to create a new crisis in the 1990s, the Padmashalis were surviving due to welfare state protection both in buying (yarn, colours etc.) and selling markets (assured purchase of powerloom cloth by hospitals, road transport corporations and purchase of saris from handlooms for Janatha Sari scheme etc.). However, the heavy does of globalization and withdrawal of welfare, protection and subsidies has acted as the final nail in rendering, even the powerloom economy absolutely helpless.

Samir Ghosh and Madan Mohan Maji (2003) observed that the unemployment generation capacity of the handloom industry is beyond any comparison. As a matter at fact, the revival of this industry is an important issue to the national economy as a whole and in view of this it may be suggested here that to fight out the barriers, new ideas are be developed with regard to the product of the industry. Khadi and Village Industries in looms have made a commendable performance in terms of production safe and earnings during the plan period from 1953 to 2000.

Safia Sircar (2003), in her study found that the weaver community or Padmashalis spend as much as Rs.50,000 to 60,000 and sometimes even Rs.1,00,000 on dowry. The daily earnings of a weaver vary between Rs.20 and Rs.150/-. Most households survive on around Rs.50. For a monthly income of Rs.1500, weavers work long hours, often as many as 14 hours a day.

Macharla Mohan Rao (2005) reported that cotton handloom weavers have also been adversely affected by changes in Government import and export policies. These
developments hit cotton handloom weavers hard because the cost of yarn constitutes 70 per cent of their total input costs. As a result of the increase in the cost of cotton yarn, incessantly increased mechanization of production and the lack of will within the Indian government to enforce reservation and other protection policies affected the handloom sector heavily. It is estimated that tens of thousands of weavers have become jobless in weaving centers such as in Tamilnadu and Andhra Pradesh.

By 2000, the number of idle looms had risen to 66,835 from 19,256 in 1985. Many weavers have also seen their wages stagnate or decline. Hundreds of weavers had to commit suicide because of the crisis created by increases in yarn exports and prices.

Dayanad Memorial Charitable Trust of Sircilla (2006), in its study found that the weavers meet the heightened expenses by approaching money lenders for loans at high rate of interest. Due to higher power hikes, immense increase in excise duty, raise in the prices of colours and chemicals, major portion of small scale power loom owners have shut down their looms in Sircilla town in Karimnagar district of Andhra Pradesh.

Besides to the shift from handloom to powerloom, thousands of women were thrown out of jobs. They ultimately become ‘beedi’ workers and earn a maximum of Rs.800-1000 per month. They advised that handloom and power loom sector weavers must realize that suicide are no more a solution to their problems, but struggle is a must revive.
Madhavi Tata (2006), in her study entitled “Stark White Cloth: Andhra’s Looms are Weaving a Tale of Suicides” found that excessive power cuts, acute shortage of raw material and piling debts are the major reasons for losing jobs in the handloom sector. Most weavers suffer from TB, Asthma and eye sight by the time they turn 40 years of age. Further, the study revealed that majority workers were paid Rs.85-100 per day for 12 hours of work in power looms in Sircilla town.

A social status survey, conducted by the revenue authorities in the year 2006 among the weaving community in Sircilla and five adjoining villages in Karimnagar district of Andhra Pradesh, revealed that out of the total 8,152 weavers interviewed, more than 50 per cent of the heads of families consumed liquor regularly. The remaining heads of families drank occasionally. The survey also found that about 3,768 families were in debt, of which 2,640 had taken loans from private persons at exorbitant interest rates.

Sudailaimuthu and Devi (2006), in their book “Handloom Industry in India”, said that handloom weavers are facing severe livelihood crisis because of the adverse government policies, globalization and changing socio-economic conditions. Ineffective implementation of the schemes and the changed context of textile industry, increasing competition from the power loom and mill sectors have been largely responsible for the crisis in the handlooms.

Dharma Raju (2007) in his article entitled “Continuing Crisis-Andhra Pradesh” observed that creation of sustainable markets can cause ripples of economic
rejuvenation since the revitalization of the handloom sector is the major concern of the policy makers and the industry players. The solutions that are being put forward should be pragmatic more than ideology and sympathetic attitude.

Understanding the ground realities with an open mind would be the first step toward finding the way out of crisis problems identification on realistic grounds prioritizing based on the degrees of intensity and suitable corrective measures are the need. If this is ingestible and anything that is detrimental to the handloom industry is to be done under composing circumstances, then it should be a gradual process with provision for protecting the livelihoods.

Jain (2007) reviewed the progress in combating unemployment in the first two decades of Independence. Prof. Raj Krishna, Former Member Planning Commission, found that the grave national problem of unemployment had defied solution in spite of two decades at planned development reason is the tragic phenomenon of positive unemployment growth associated with a positive output growth. This made topsy-turvy and in effect no check had been exercised on the pattern of investment in spite of the directions of the NDC. Through the Handloom sector employs a massive number of rural people it is still considered a sunset industry.

Rahul (2007) mentioned about the statement by the then Commissioner, Handloom and Textile, Government of Andhra Pradesh, that introduction of health insurance scheme separately for handloom and power loom workers has played a big role in bringing down the suicides rate in Andhra Pradesh. Further, the commissioner also said that handloom workers
required more care and assistance as they were not only self employed but competed against the mill sector which is a capital intensive. Working capital assistance, supply of subsidized, yarn and market intervention by Government has failed to bail out the handloom workers.

Action Aid, a Non-Governmental Organization (2007) conducted a survey on the looming crisis in India. The study found that millions of workers in the textile sector have suffered with falling incomes, increasing debt and job losses because of increased competition from cheaper imports and acute scarcity of raw materials because of rising exports. Many families have faced the problems of malnutrition, starvation and even suicide as a result. Hundreds of weavers have committed suicide because of the crisis created by increase in yarn exports and prices. Many weavers have also seen their wages stagnate or decline.

FIAN International Human Rights Organization, Germany (2008) conducted a study of suicides among the weavers in Karimnagar District of Andhra Pradesh. They reported that the reasons for committing suicides were that they were unable to feed themselves and their families and repay their debts due to lack of earnings and no means for survival. Further, the study found that the situation faced by women is very grave.

When men commit because of unemployment and increasing debts, the women in the family who have never performed wage labour before are forced due to difficult circumstances to go to work in the Beedi industry and the monthly income for rolling beedis is Rs.1000-1500.
This income is not enough to feed the family and women face hunger and threatened by starvation. In and around Sircilla of Karimnagar District about 5,000 windows work in beedi industry.

Indian Express (26-09-2008) reported that after farmers suicides, Andhra Pradesh is faced with suicides by traditional handloom weavers, especially in Anantapur District. Living in an abject poverty and burdened with debts, many are ending their lives. According to Revenue Officer, Anantapur, majority of the handloom owners are neck deep in debt. The problems they are facing are manifold. It takes a month to produce one saree on the contrary the power looms produce more in the same time.

Handloom weavers more often than not take raw material and money from middlemen and mediators and are forced to sell the products at the price that they decide. The middlemen sell the hand woven sarees and cloth at a very high price in the market and they don’t pass the benefits to the weavers. Thus, they always remain poor. The conditions of weavers working as daily wages for handloom owners are even worse, working for as little as Rs.25 per day, says Revenue Officer who is investigating the suicides.

Bharat Dogra (2008) in his study entitled “Depression of Weavers in Varanasi and the need for an artisans” reported that the income of handloom weavers has declined to such an extent that they cannot even meet their basic amenities on average a weaver is earning Rs.50 to 60 in a day, and this is not enough.
Due to this livelihoods crisis and related indebtedness, many weavers of late, have committed suicide, or they have been selling their blood in order to meet the needs of their family. Such cases and even cases of the sale of small children depicted occasionally in local media have highlighted the serious crisis that pervades the life of most weavers.

**Significance of the Present Study**

All the above studies touched various affects of handloom industry but did not touch the actual problems of weaver in committing suicides in Andhra Pradesh and particularly in Anantapur district. The weavers of Andhra Pradesh in general and the weavers of Kurnool district in particular are facing acute problems of dire poverty and underemployment and hence an attempt is made to have a macro level study in selected areas of the district on various aspects relating to the socio economic back ground of the weavers, Income levels, level of employment generation and to know the problems for committing suicides.

**Objectives of the Study**

The objectives of the present study are as follows:

1. To study the growth of handloom Industry in India and in Andhra Pradesh.
2. To understand the working of handloom industry in Anantapur District.
3. To understand the Socio & Economic back ground of the weavers in the selected mandals of Anantapur District.
4. To analyse how the weaving industry helped the weavers in generate employment and to improve income.

5. To know the reasons for the suicide deaths of weavers in the selected of mandals of Anantapur district.

6. To identify the problems encountered by the weavers in procuring raw materials and in the sale of finished products.

7. To suggest suitable measures for the overall development of weavers in Anantapur District.

Hypothesis

1. There is no significant difference between the category of weavers and income and employment generation of the weavers

2. There is no significant relation between the category of weavers and housing, literacy status and indebtedness of the weavers.

3. There is no significant relation between the category of weavers and debt sources, purpose of borrowing marketing problems and the mode of sale of the weavers.

4. There is no association between the category of weavers and sex wise distribution, family size, age group of the weavers.

5. There is no significant relation between the category of weavers and need supports of banks.
Methodology

The present study is based on the data from both primary and secondary sources. The primary data were collected from the weavers selected for the present study. A well structured questionnaire was prepared and administered to the weavers to extract their perceptions and reactions toward the weaving activity. Personal visits were made to the selected mandals to make on the spot study of various Socio – Economic conditions of the weavers and to know the reasons for meager income, employment and for committing suicides.

The secondary data was collected mostly from Annual Reports, action plans and reports of the Commissioner of Handloom and Textiles, reports of various studies and Government publications. The basic literature relating to handloom industries, status of weavers were collected from various books and journals Andhra Pradesh Five years plan documents and Gazetteers of Andhra Pradesh state and Anantapur district were used.

Sampling Designs

For the present study a two stage sampling method was applied to select the sample weavers. All the mandals in the district are classified in to three categories (a) developed (b) Medium developed (c) Less developed. From each category one mandal was chosen. These mandals are categorized based on Economic Indicators (percapita Income, percentage of Gross irrigated land).Human Indicator (Female literacy, proportion population of scheduled caste, scheduled Tribes, infant mortality rates) and infrastructure development
indicators (Total road length for 100 Kms, Number of Hospitals Beds per 10,000 population). To get an objective picture 450 weavers covered in these mandals during 2005-2008 were selected. Lot of care was taken in selecting weavers and mandals. In the first stage, from each category, one mandal was selected. In the second stage all the weavers who are engaged in Handloom industry during the visit were selected. Further for the purpose of arriving at the effectiveness of the handloom industry information regarding the income and employment generated by the weavers was collected and compared to find out whether the weavers could earn adequate income and employment in the district.

### TABLE 1.1
LIST OF THE SELECTED VILLAGES FROM THE MANDALS.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Mandal</th>
<th>Category of the mandal</th>
<th>Name of the selected villages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dharmavaram</td>
<td>Developed</td>
<td>Yerraguntapalli</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tharakaramapuram</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Gotlur</td>
</tr>
<tr>
<td>2</td>
<td>Hindupur</td>
<td>Medium developed</td>
<td>Muddireddipalli</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Syndicate Nagar</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chowdeswari Colony</td>
</tr>
<tr>
<td>3</td>
<td>Tadipatri</td>
<td>Less developed</td>
<td>Gannevaripalli</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chenetha Colony</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tadipatri Rural</td>
</tr>
</tbody>
</table>

46
TABLE 1.2
CATEGORY WISE DISTRIBUTION OF SAMPLE WEAVERS

<table>
<thead>
<tr>
<th>Mandal</th>
<th>Category wise</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Master Weavers</td>
<td>Independent weavers</td>
<td>Co-Operative weavers</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Dharmavaram</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Hindupur</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Tadipatri</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>150</strong></td>
<td><strong>150</strong></td>
<td><strong>150</strong></td>
<td><strong>450</strong></td>
<td></td>
</tr>
</tbody>
</table>

Survey

The selected villages were surveyed twice. First a census survey was conducted covering all the weavers belonging to various categories who are in the weaving activity. Secondly a house hold survey was conducted to know the socio economic conditions of the weavers and to find out the income employment generation from the weaving activity and also to know the inherent problems in marketing their finished products and for committing suicides.

Tools of Analysis

Based on the objective of the study $\chi^2$ test and percentages were used to classify and tabulate the collected data so as to bring out a systematic analysis. If the observed and expected frequencies are denoted by $o_i$ and $e_i$ respectively then
\[ \chi^2 = \sum \sum \frac{(o_i - e_i)^2}{e_i} \sim \chi^2 (n-1) (n-1) \text{ d.f.} \]

This test statistic is calculated and compared with table value at 5% Level of significance.

\[ \text{If } \chi_{ca}^2 \leq \chi_{ex}^2 \text{ we accept } H_0 \]
\[ \text{If } \chi_{ca}^2 > \chi_{ex}^2 \text{ we reject } H_0 \]

**Percentage (%)**

Percentage bars are particularly useful in statistical work which requires the portrayal of relative changes in data. When such diagrams are prepared, the length of the bars is kept equal to 100 and segments are cut in these bars to represent the components (percentages) of an aggregate.

**Limitations**

The present study is district specific and time specific. The secondary data was collected and presented covering 10 years period only. The field data pertaining to the weavers covered under handloom Industry during the decade from 2005-2008 were collected and it forms the basis for study. The quality and reliability of the data was ensured by repeated visits to the weavers and discussions.

Availability of the required date formed as a chief constraint for the study despite earnest efforts were made to collect relevant data relating to the sanction of loans and their disbursement from the offices of the Hand loom Industry in the district.
Conclusion

The Small Scale industries have been playing a predominant role in the overall economic development of a country like India where millions of people are unemployed and most of the people are capable of making only a small investment. Unemployment and poverty are the usual features of the developing economies and disguised unemployment is common character of the agriculture sector in developing countries.

Handloom Industry occupies a remarkable place among the large size Cottage industrial units in the country meeting about 30 per cent of demand for Fabric and generating income and employment. Small scale and Cottage industries play an important role in the growth of national economics in all over the world and is considered to be the engine of growth in most countries. The small scale industries are labour intensive and provide employment.

The wrap threads run length ways on piece of cloth and the weft runs across from side to side, across the bolt of cloth. It has been considered that handloom, being a household industry, can best develop in the co-operative sector. There cannot be a more non – exploitative institutional mechanism than co-operatives of the weavers owned by themselves for their common collective good. Handloom industry has a crucial role to play in supporting and strengthening the self-sufficiency of the rural economy.

However, many handloom weavers interviewed reported that these artists who have weaved the beautiful sarees which could be put in a match box are now wondering
on the streets in search of employment and migrating to other places to get employment as agricultural labourers. They have reported that price hikes of yarn, competition from power looms and the bogus co-operative societies were the chief factors that pushed them to the ranks of wage labourers.

The study inferred that education played a positive effect on weaving particularly getting awareness in marketing conditions. Majority of the weavers are migrants and most of them have come from other occupations. He also observed that weavers with higher number of looms are getting higher incomes than others and there also exits varied regional variations.

Till the globalization process began to create a new crisis in the 1990s, the Padmashalis were surviving due to welfare state protection both in buying (yarn, colours etc.) and selling markets (assured purchase of powerloom cloth by hospitals, road transport corporations and purchase of saris from handlooms for Janatha Sari scheme etc.). However, the heavy does of globalization and withdrawal of welfare, protection and subsidies has acted as the final nail in rendering, even the powerloom economy absolutely helpless.

Besides to the shift from handloom to powerloom, thousands of women were thrown out of jobs. They ultimately become 'beedi' workers and earn a maximum of Rs.800-1000 per month. They advised that handloom and power loom sector weavers must realize that suicide are no more a solution to their problems, but struggle is a must revive.
Due to this livelihoods crisis and related indebtedness, many weavers of late, have committed suicide, or they have been selling their blood in order to meet the needs of their family. Such cases and even cases of the sale of small children depicted occasionally in local media have highlighted the serious crisis that pervades the life of most weavers. An attempt is made to have a- macro level study in selected areas of the district on various aspects relating to the socio economic back ground of the weavers, Income levels, and level of employment generation and to know the problems for committing suicides.

The present study is based on the data from both primary and secondary sources. The primary data were collected from the weavers selected for the present study.

The secondary data was collected mostly from Annual Reports, action plans and reports of the Commissioner of Handloom and Textiles, reports of various studies and Government publications. For the present study a two stage sampling method was applied to select the sample weavers. All the mandals in the district are classified in to three categories (a) developed (b) Medium developed (c) Less developed. From each category one mandal was chosen. These mandals are categorized based on Economic Indicators (percapita Income, percentage of Gross irrigated land).

Based on the objective of the study $\chi^2$ test and percentages were used to classify and tabulate the collected data so as to bring out a systematic analysis.
REFERENCE


