CHAPTER II

INDUSTRIAL SCENE OF RAYALASEEMA

Rayalaseema is one among the three major regions of Andhra Pradesh. It consists of four southern districts of the State viz., Anantapur, Chittoor, Cuddapah and Kurnool. The Region is bounded by Mahabubnagar district of the State (Andhra Pradesh), in the north, separated by Thungabhadra and Krishna rivers and Karnataka State in the west and south-west. Tamil Nadu State in the south and south-east and Nellore and Prakasam districts of Andhra Pradesh in the east.

It occupies 24.5 percent of the geographical area and 18.09 percent of the population of the State. 79.82 percent of population is in rural areas, as compared to 76.75 percent for the entire State. In literacy rate the State and the region, show the similarity with 79.72 and 79.49 percent respectively. The density of population is 144 persons in the region. Table 2.1 gives more details on this.

Chittoor gets first place, in respect of total population (27.47 lakhs) rural population (83.18 percent) density (181 persons per Sq. Km.) and literacy (31.60 percent). Anantapur gets first place in area (19.1 thousand Sq. Km.), second place in total population (26.18 lakhs) and density.
### TABLE - 2.1

Table Showing Area, Population and Literacy of Rayalaseema Region

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>District</th>
<th>Area (Sq.Km. '000)</th>
<th>Population in Lakhs</th>
<th>Density of Population</th>
<th>Total No. of Literates (in lakhs)</th>
<th>% of Literacy to total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Anantapur</td>
<td>19.1</td>
<td>26.18</td>
<td>20.88</td>
<td>79.74</td>
<td>137</td>
</tr>
<tr>
<td>2.</td>
<td>Chittoor</td>
<td>15.2</td>
<td>27.47</td>
<td>22.85</td>
<td>83.18</td>
<td>181</td>
</tr>
<tr>
<td>3.</td>
<td>Cuddapah</td>
<td>15.4</td>
<td>19.28</td>
<td>15.53</td>
<td>80.59</td>
<td>126</td>
</tr>
<tr>
<td>4.</td>
<td>Kurnool</td>
<td>17.7</td>
<td>24.04</td>
<td>18.15</td>
<td>75.48</td>
<td>136</td>
</tr>
<tr>
<td></td>
<td><strong>Rayalaseema</strong></td>
<td>67.4</td>
<td>96.97</td>
<td>77.41</td>
<td>79.82</td>
<td>144</td>
</tr>
<tr>
<td></td>
<td><strong>Andhra Pradesh</strong></td>
<td>275.1</td>
<td>535.93</td>
<td>461.34</td>
<td>76.75</td>
<td>195</td>
</tr>
</tbody>
</table>

DISTRICT-WISE AREA DISTRIBUTION IN RAYALA SEEMA

A ➤ ANANTAPUR 19.1 thousand sq. km.

CH ➤ CHITTOOR 15.2 thousand sq. km.

CU ➤ CUDDAPAH 15.4 thousand sq. km.

K ➤ KURNOOL 17.7 thousand sq. km.
DISTRICT-WISE POPULATION PATTERN OF RAYALASEEMA

<table>
<thead>
<tr>
<th>District</th>
<th>Rural Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anantapur</td>
<td>26.18 Lakhs.</td>
<td>Rural 80%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Urban 20%</td>
</tr>
<tr>
<td>Chittoor</td>
<td>27.47 Lakhs.</td>
<td>Rural 83%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Urban 17%</td>
</tr>
<tr>
<td>Cuddapah</td>
<td>19.28 Lakhs.</td>
<td>Rural 81%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Urban 19%</td>
</tr>
<tr>
<td>Kurnool</td>
<td>24.04 Lakhs.</td>
<td>Rural 75%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Urban 25%</td>
</tr>
</tbody>
</table>

RURAL

URBAN
Based on the geographical area (15.4 thousand Sq. Km.) Gudlapah is at third position. In percentage of rural population (80.59 percent) and literacy (39.92 percent), the district gets second place and in total population (19.28 lakhs) and density (126 persons per Sq. Km.), it is in the last place. With 17.72 thousand Sq. Kms. of area, Kurnool stands at the Second Place. Third place goes to the district in respect of total population (24.04 lakhs), density (136 persons per Sq. Km.), literacy (28.42 percent) and the last place in rural population (75.48 percent).

Famine in Rayalaseema:

Rayalaseema also treated as one of the natural divisions of India, is noted to be a frequent famine affected area. As Prof. B.N. Gangoli, the well known economist¹ puts it.

"The ceded districts (Rayalaseema Districts) have always been the blackest spot in the famine map of India. The frequent occurrence of famine has completely crippled the peasantry and reduced them to a state of object poverty and dependence. The unfortunate ryot has hardly emerged from one famine before he is submerged by another".

¹Select Notes on Planning and Development Board of Rayalaseema. Govt. of Andhra Pradesh, Hyderabad, August 1972 P.23
Rivers: The only major river of Rayalaseema is river Krishna, which flows along its northern borders. The other small rivers are Pennar, Thungabhadra, Nagari, Hundri, Papaagni, Kunderu, Chitravani, Palar, Suwarnamukhi, etc. Many of these rivers are rainfed. During dry seasons they dry up.  

The only source of irrigation in the area is Kurnool - Cuddapah Canal, which runs for 190 miles through the districts of Kurnool and Cuddapah. The Thungabhadra High Level Canal (THLC) is serving Anantapur and the Thungabhadra Low Level Canal (TLLC) is providing water to Kurnool. The only district suffering from inadequate water resources is Chittoor, where the well irrigation is an important source.

Rainfall and Climate:

The average normal rainfall is about 672mm as against 896mm of the State average. The District-wise rainfall is as follows: Anantapur = 544 mm, Chittoor = 826 mm, Cuddapah = 697 mm, and Kurnool = 622 mm.

References:

1. "New Industrial Horizons of Rayalaseema". Small Industries Service Institute, Hyderabad 1971. P. 3
2. Ibid.
The climate is almost dry throughout the year. The region is located in the interland between the eastern and western ghats and hence the influence of south-west and north-east monsoons is almost nil. By the time the monsoons reach the area they are nearly exhaust. This is the main reason for frequent draughts in the region.

Soil:

Chittoor and Anantapur districts have red soil. But Kurnool and Cuddapah districts consist areas of black soil. This is very fertile, but due to inadequate rainfall and irrigation facilities major part of the area is not put to good use. Thus many of Rayalaseema's better soils occur in areas of low or erratic rainfall and hence unsuitable for agriculture. As a result the region is treated as agriculturally backward.

Mountains and Forests:

One can see a few hill ranges in the area such as Nallamalai in Kurnool district. Seshachalam and Palamondalu in Cuddapah and Horsely, Avalapally and Tirupati Hills in Chittoor. Forests occupy only 11.13 percent of the total geographical area in Anantapur. In this district several places are known as forests but were completely devoid of vegetation. In Chittoor district, about 28 percent of the total geographical area is occupied by forests. This is one of the districts with large forest area. Cuddapah district contains large and important forests, which occupy
32.42 percent of total geographical area. Only 19.6 percent of the total area is occupied by forests in Kurnool district. The forests yield major forest products like red sanders, sandal wood, timber, bamboo, etc., minor forest products like beedi leaves, tangedu bark, soapnut, tamarind, honey, bee wax, custard apple etc., are also available in the region. Red sanders available in Chittoor and Cuddapah districts, are exported to Japan. Anantapur lacks in forest resources due to precarious rainfall.

Mineral Resources:
The area is very rich in mineral resources. An air-borne mineral survey called "operation Hard Rock" undertaken in the region in 1969-70, revealed that the region is rich in valuable minerals like lime stone, barytes, asbestos, clays, iron ore, diamonds, gold, copper, lead, zinc, steatite, etc.

At present most of the minerals extracted are being exported to outside the state and even to foreign countries either in the raw form or in the processed condition. For instance, barytes powder which is available

1Ibid.
2New Industrial Horizons of Rayalaseema, Small Industrial Service Institute, Hyderabad 1971, P. 3
3Detailed information is given in Chapter IV 'Resource Analysis'.
in Cuddapah district is exported to countries in the Middle East in large quantities. Efforts are being made at present to start a few industrial units in this area, by utilising these minerals.

**INDUSTRIAL STRUCTURE**

An analysis of Rayalaseema’s Industrial Structure indicates the following:

a) Large & Medium Scale Units

i) No. of Units
ii) Capital Investments
iii) Employment

b) Small Scale Units

c) Tiny Units

On the above (a) lines.

Analysis:

It can be seen from the Table 2.2 that among the four districts, the increase in industrial (large & medium scale) Units is as follows between 1971 and 1985 viz., Anantapur by 333 percent from 3 to 13 units, Chittoor by 343 percent, from 7 to 31 units, Cuddapah by 1500 percent from 1 to 16 units and Kurnool by 100 percent, from 8 to 16 units. Cuddapah stands first with 1500 percent of industrial growth among the Rayalaseema districts. Its speed of industrialisation is five times the average. Industrial growth rate of Kurnool district is far below (100 percent). Anantapur and Chittoor districts are little above/average growth rate for the entire region.
<table>
<thead>
<tr>
<th>District</th>
<th>No. of Units</th>
<th>Capital Investment (₹ in Lakhs)</th>
<th>Employment</th>
<th>Percentage of growth in 1985 over 1971</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anantapur</td>
<td>3</td>
<td>13</td>
<td>257</td>
<td>3472</td>
</tr>
<tr>
<td>Chittoor</td>
<td>7</td>
<td>31</td>
<td>417</td>
<td>4892</td>
</tr>
<tr>
<td>Gudlapah</td>
<td>1</td>
<td>16</td>
<td>77</td>
<td>15406</td>
</tr>
<tr>
<td>Kurnool</td>
<td>8</td>
<td>16</td>
<td>694</td>
<td>8984</td>
</tr>
<tr>
<td>Rayalaseema</td>
<td>19</td>
<td>76</td>
<td>1445</td>
<td>32754</td>
</tr>
</tbody>
</table>

Source: 'Andhra Pradesh Darshini' Vishalandha Publishing House, Hyderabad 1987, P. 523
### TABLE 2.3

**Structural Changes in Large and Medium Scale Units of Rayalaseema Region - District-wise (in percentage)**

<table>
<thead>
<tr>
<th>District</th>
<th>No. of Units</th>
<th>Capital Investment</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anantapur</td>
<td>15.80</td>
<td>17.10</td>
<td>17.79</td>
</tr>
<tr>
<td>Chittoor</td>
<td>36.84</td>
<td>40.80</td>
<td>28.86</td>
</tr>
<tr>
<td>Cuddapah</td>
<td>5.26</td>
<td>21.05</td>
<td>5.32</td>
</tr>
<tr>
<td>Kurnool</td>
<td>42.10</td>
<td>21.05</td>
<td>48.03</td>
</tr>
<tr>
<td>Rayalaseema</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Table 2.2

But in the increase in terms of numbers, Chittoor is ranked first with 31 units, followed by Cuddapah and Kurnool with 16 units each and Anantapur with 13 units.

Looking to the pattern of investment, the growth of capital is highest in Cuddapah by 19908 percent, from Rs. 77 lakhs in 1971 to Rs. 15406 lakhs in 1985; followed by Kurnool by 1194 percent, from Rs. 964 lakhs to Rs. 8984 lakhs; Anantapur with 1251 percent, from Rs. 257 lakhs to Rs. 3472 lakhs and Chittoor by 1073 percent, from Rs. 417 lakhs to Rs. 4892 lakhs.

Regarding employment pattern the growth rate is highest (1215 percent) in Cuddapah from 412 persons in 1971 to 5420 persons in 1985. Second place goes to
STRUCTURAL CHANGES IN LARGE & MEDIUM SCALE UNITS OF RAVALASEEMA

(DISTRICT-WISE IN PERCENTAGE)

INDEX
- A ANANTAPUR
- CH CHITTOOR
- K KURNOOL
- CU CUDDAPAH

NO. OF UNITS

CAPITAL INVESTMENT

EMPLOYMENT

YEARS

YEARS

YEARS
Anantapur (157 percent) from 2164 persons to 5563 persons, followed by Chittoor (146 percent) from 3218 persons to 7914 persons. Kurnool stood at the last place with only 61 percent, from 6107 persons to 9847 persons.

Growth rates are:

Cuddapah district has registered tremendous growth rate, in all the three variables such as Number of units, Capital and Employment. In 1971, the share of the district in number of units was only 5.26 percent. In capital it was 5.32 percent and in employment it was 3.46 percent. At the end of 1985, growth rates were 21.05 percent, 47.03 percent and 18.85 percent respectively.

For the same period, Kurnool has recorded declining growth rate; In case of number of units from 42.10 percent to 21.05 percent, capital from 48.03 percent to 27.43 percent and employment from 51.32 percent to 34.26 percent, respectively.

Anantapur and Chittoor showed declining growth in respect of capital investment. But in respect of other variables like number of units and employment these districts recorded a slight upward push for the same period. Capital investment has declined from 17.79 percent in 1971 to 10.60 percent in 1985 and from 28.86 percent in 1971 to 14.94 percent in 1985 in respect of Anantapur and Chittoor.

The other variables viz., number of units and employment which were shown a slight increase in both the
districts are as under. The percentage of growth in number of units is from 15.80 to 17.10 in Anantapur and from 36.84 to 40.80 in Chittoor. In respect of employment in Anantapur it has increased from 18.18 percent to 19.35 percent and in Chittoor from 27.04 percent to 27.54 percent.

ANALYSIS OF DISCIPLINE-WISE INDUSTRIAL UNITS

There are 12 disciplines of industrial units in the State. Out of these, Rayalaseema Region has only 10 disciplines. Drugs and Pharmaceuticals and Jute based Industrial units are not available in the region. Even among the 10 disciplines, only four categories such as Food and Agro processing, Textile, Cement and Engineering units have had their existence since 1971, and the rest of 6 categories have started late.

Table 2.4, provides district-wise and discipline-wise information with regard to number of units, capital investment and employment for the years between 1971 and 1985.

Food and Agro Processing Industry:

In the year 1971 the units of this category were found not in Anantapur and Cuddapah districts. Where as Chittoor had 2 units, with capital investment of Rs. 136 lakhs, providing employment for 1182 persons and Kurnool 3 units, with an investment of Rs. 101 lakhs providing jobs for
<table>
<thead>
<tr>
<th>Discipline-wise Industries</th>
<th>1971</th>
<th>1975</th>
<th>1980</th>
<th>1985</th>
<th>No. of Capital Employ</th>
<th>No. of Capital Equip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food &amp; Agri Processing</td>
<td>8</td>
<td>3</td>
<td>7</td>
<td>6</td>
<td>106</td>
<td>113</td>
</tr>
<tr>
<td>Leather Industries</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>246</td>
<td>192</td>
</tr>
<tr>
<td>Chemical &amp; Allied Industries</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>123</td>
<td>76</td>
</tr>
<tr>
<td>Drugs &amp; Pharmaceuticals</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>116</td>
<td>76</td>
</tr>
<tr>
<td>Power &amp; Other Forest Based</td>
<td>10</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>43</td>
<td>27</td>
</tr>
<tr>
<td>Textile Industries</td>
<td>4</td>
<td>4</td>
<td>9</td>
<td>2</td>
<td>222</td>
<td>44</td>
</tr>
<tr>
<td>Jute &amp; Other Industries</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>62</td>
<td>61</td>
</tr>
<tr>
<td>Cement Industries</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>221</td>
<td>41</td>
</tr>
<tr>
<td>Mineral &amp; Other Metals Industry</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>107</td>
<td>20</td>
</tr>
<tr>
<td>Engineering Industries</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>22</td>
<td>48</td>
</tr>
<tr>
<td>Electrical Industries</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Total District/Region</td>
<td>71</td>
<td>10</td>
<td>31</td>
<td>31</td>
<td>237</td>
<td>417</td>
</tr>
</tbody>
</table>

Note: C = Cattle | G = Goats | G = Cultiv | K = Minerals
Source: Data Collected.
Thus Rayalaseema had in total 5 units with capital investment of Rs. 237 lakhs with 2112 persons in employment.

By the end of 1985, all the districts of the region came up with established units. i.e., Anantapur 3 units; Chittoor 7 units; Cuddapah 6 units and Kurnool 6 units. In this background it could be said that the progress of Cuddapah district appears to be good (with reference to number units). Capital invested in those units being Rs. 549 lakhs, Rs. 1460 lakhs, Rs. 1152 lakhs and Rs. 1134 lakhs respectively. These units have provided employment to 304, 2375, 1090 and 2575 persons respectively amongst the districts. Percentage of growth registered in 1985 in respect of number of units 340, capital 3800 and employment 200.

Leather Industry:

No district of the region had this category of units in 1971. Even in 1985, only Chittoor had one unit, with an investment of Rs. 246 lakhs employing 192 persons.

Chemical and Allied Industry:

No Industrial unit of this category was set up by 1971, in the region. But by the end of 1985 all the four districts have established units with the following details viz., Anantapur 1; Chittoor 4; Cuddapah 3; and Kurnool 2 units. Investment and Employment in those units worked
out to Rs. 31 lakhs and 155 persons, Rs. 229 lakhs and 154 persons, Rs. 325 lakhs and 879 persons and Rs. 72 lakhs and 84 persons respectively. Together, the region had 10 units, with total investment of Rs. 657 lakhs providing employment to 1269 persons.

**Paper and Other Forest Based Industry:**

In 1971 the region never had this type of units. By 1985 except Anantapur, the other three districts got one unit each. The size of the capital invested amounted to Rs. 43 lakhs in Chittoor, Rs. 221 lakhs in Cuddapah, Rs. 4615 lakhs in Kurnool. The units have employment potentialities of 145, 181 and 1233 persons.

**Textile Industry:**

This is the only industry which has been established prior to 1971, in all the districts of the region. Anantapur has had 3 units. Chittoor and Kurnool have had 4 units each and Cuddapah had only one unit. By the end of 1985, except in Kurnool, in other districts, the number of units have increased as under

- Anantapur - 5 Units,
- Chittoor - 9 Units
- Cuddapah - 2 Units. It shows the over all percentage growth of 67 in the region.

The amount of capital invested amounted to Rs. 870 lakhs in the above units in 1971. But by the end
of 1985, along with the number, the capital invested has also increased to Rs. 7432 lakhs, registering 754 percent of growth rate over the period. Surprisingly the employment has increased only by 54 percent, from 9144 persons to 14065 persons.

**Cement Industry:**

In 1971, only one unit was working in the region i.e., in Kurnool district. This number has increased to 3, by the end of 1985, with the additional 2 units in Cuddapah. The capital has increased from Rs. 288 to Rs. 12637 lakhs and employment from 605 persons to 2695 persons for that period. The percentage growth registered for that period is as follows:

1) Number of units : 200 percent

2) Capital Investment : 754 percent and

3) Employment : 345 percent

**Mineral based and Ceramic Industry:**

In respect of this category, the region had no representation in 1971. By the end of 1985, four units have come up in the region, viz., 2 units in Chittoor, one unit each in Cuddapah and Kurnool districts. The capital invested in these units amounted to Rs. 1453 lakhs, and they are providing employment to 828 persons.
Engineering Industry:

Except one unit in Chittoor, no other districts had this category of units in 1971. This unit required Rs. 50 lakhs as capital and was providing employment to 40 persons only.

By the end of 1985, the number of units have increased to 8, as a result of setting up of 3 units in Anantapur and Four more units in Chittoor. Thus, the amount of capital investment and employment have increased to Rs. 770 lakhs and 1165 persons respectively. The registered percentage growth is as follows:

1) No. of Units : 700 percent
2) Capital Investment: 1440 percent, and
3) Employment : 2813 percent.

Electrical Industry:

There was one industrial unit belonging to this group in the region in 1971. But by the end of 1985, each district got one unit, with various sizes of capitals, which amounted in total to Rs. 337 lakhs and the employment provided by these units, worked out to 602 persons.

Electronic Industry:

At the end of 1985, only one unit was established in Chittoor creating employment for 25 persons, with the capital of Rs. 48 lakhs.
Growth of SSI Units:

The structural changes of small scale units have been analysed with the support of table 2.5.

Number of Units:

In 1971, 1119 units were working in the region. Among the 4 districts, Kurnool was placed at the top, followed by Chittoor, Cuddapah and Anantapur in that order. But over the period of time, the structure got changed. At the end of 1985, Chittoor came to first place, with the highest number of units and Kurnool is placed at the last position. The second and third places have gone to Cuddapah and Anantapur respectively. The percentage growth of number of units indicates the first place going to Anantapur (558 percent) and the last place to Kurnool (351 percent) and Chittoor and Cuddapah in between.

Capital Investment:

The total amount of capital employed in 1971, accounted to Rs. 5.20 lakhs. Out of this, Rs. 1.56 lakhs (30 percent) was in Kurnool, 26 percent or Rs. 1.38 lakhs in Anantapur, Rs. 1.16 lakhs or 23 percent in Chittoor and Rs. 1.10 lakhs or 21 percent was in Cuddapah. By the end of 1985, the pattern of investment has changed considerably. A big cheunk (Rs. 17.44 lakhs) of the total capital (Rs. 56.92 lakhs) was invested in Chittoo and growth rate was 14.03 percent. 29 percent (Rs. 16.51 lakhs) of the amount, was invested in Kurnool.
<table>
<thead>
<tr>
<th>District</th>
<th>No. of Units</th>
<th>Capital Investment (₹, in Lakh)</th>
<th>Employment</th>
<th>Percentage of Growth in 1985 over 1971</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anantapur</td>
<td>219, 477, 1115, 1442</td>
<td>1.38, 3.95, 6.51, 8.30</td>
<td>1975, 3350, 9689, 11565</td>
<td>558, 561, 486</td>
</tr>
<tr>
<td>Chittoor</td>
<td>295, 644, 1333, 1767</td>
<td>1.16, 3.30, 11.75, 17.44</td>
<td>3084, 5247, 15885, 19922</td>
<td>499, 1433, 547</td>
</tr>
<tr>
<td>Gudalur</td>
<td>238, 629, 1156, 1674</td>
<td>1.10, 3.20, 10.69, 14.67</td>
<td>3373, 5719, 12021, 13465</td>
<td>481, 1734, 239</td>
</tr>
<tr>
<td>Kurnool</td>
<td>317, 691, 1288, 1430</td>
<td>1.58, 4.45, 12.43, 16.51</td>
<td>1970, 3255, 12021, 15094</td>
<td>351, 958, 666</td>
</tr>
<tr>
<td>Total</td>
<td>1119, 2441, 4691, 6313</td>
<td>5.20, 14.91, 41.37, 56.20</td>
<td>10402, 17671, 48116, 60085</td>
<td>484, 925, 478</td>
</tr>
</tbody>
</table>

Source: Data Collected.
Its growth rate was recorded at 98 percent. Rs. 14.67 lakhs of investment was made in Cuddapah registering a growth rate of 1234 percent. In Anantapur the investment growth rate constituted 501 percent, with an amount of Rs. 8.30 lakhs.

**Employment:**

Growth rates wise Kurnool gets the first place (666 percent) followed by Chittoor (547 percent), Anantapur (486 percent) and Cuddapah (299 percent). The overall growth rate in the region, comes to 478 percent. In 1971, out of total number of employees (10,402 persons), 32 percent were in Cuddapah, whereas by 1985, this percentage has declined to 22. For the same period, a noticeable increase was found in Chittoor (from 30 to 33 percent) and Kurnool (from 19 to 25 percent) whereas Anantapur continued in the same place.

**Discipline-wise Position of SSU Units:**

At the end of 1985, there were 6313 small scale units, providing employment for 60,086 persons, with an investment of Rs. 56.92 lakhs. The disciplinewise break up of the units, capital investment and employment situation, is analysed on the basis of data made available in table 2.6.

**Agro-based Units:**

It could be seen that the small scale sector is dominated by agro-based units, which represent about
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Industry Category</th>
<th>Number of Units</th>
<th>Capital Investment ($ in lakhs)</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A CH CU K Total</td>
<td>A CH CU K Total</td>
<td>A CH CU K Total</td>
</tr>
<tr>
<td>1.</td>
<td>Agro Based</td>
<td>380 631 497 379 1887</td>
<td>2.85 5.67 4.75 5.46 18.74</td>
<td>3703 6068 3929 3194 16794</td>
</tr>
<tr>
<td>2.</td>
<td>Forest Based</td>
<td>188 196 244 303 931</td>
<td>0.97 1.83 1.36 1.13 5.29</td>
<td>944 1926 1304 1093 5267</td>
</tr>
<tr>
<td>3.</td>
<td>Mineral Based</td>
<td>193 205 152 114 664</td>
<td>0.94 2.31 1.20 1.57 6.00</td>
<td>1146 2688 1143 960 5937</td>
</tr>
<tr>
<td>4.</td>
<td>Textile Based</td>
<td>141 50 68 43 302</td>
<td>0.70 0.21 1.24 1.50 3.65</td>
<td>1331 508 1091 3232 6163</td>
</tr>
<tr>
<td>5.</td>
<td>Engineering &amp; Allied</td>
<td>86 73 136 9 204</td>
<td>0.57 0.97 0.81 0.08 2.43</td>
<td>398 661 673 24 1956</td>
</tr>
<tr>
<td>6.</td>
<td>Chemical Based</td>
<td>150 224 143 109 626</td>
<td>0.90 3.28 1.80 1.50 7.45</td>
<td>1667 3214 1572 1039 7492</td>
</tr>
<tr>
<td>7.</td>
<td>Animal Husbandry</td>
<td>48 20 42 24 134</td>
<td>0.06 0.06 0.07 0.12 0.30</td>
<td>110 199 180 149 638</td>
</tr>
<tr>
<td>8.</td>
<td>Building Material</td>
<td>94 124 183 211 612</td>
<td>0.46 1.58 2.36 3.04 7.44</td>
<td>1392 3050 2656 3403 10501</td>
</tr>
<tr>
<td>9.</td>
<td>Others</td>
<td>162 244 209 238 853</td>
<td>0.85 1.57 1.07 2.11 5.60</td>
<td>874 1448 1017 2000 5339</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1442 1767 1674 1430 6313</td>
<td>8.30 17.44 14.67 16.51 56.92</td>
<td>11565 19982 13455 15094 60086</td>
</tr>
</tbody>
</table>

NOTE: A = Anantapur, CH = Chittoor, CU = Cuddapah, K = Kurnool, Total = Rayalaseema.

Source: Data collected.
30 percent of the total. Investment in these units amounted to Rs. 18.74 lakhs (It works out to 33 percent).

Employment provided in these units accounted to 16,794 persons (28 percent). Among the districts of the region, Chittoor is at the top in the list in number of units (631), capital (Rs. 5.67 lakhs) and employment (6068 persons).

Next place goes to Cuddapah. Third and last places are occupied by Anantapur and Kurnool.

Forest based Units:

There were 931 units in the regions out of which the highest number of units (303 units) were in Kurnool followed by Cuddapah (244 units), Chittoor (196 units) and Anantapur (188 units). Investment in these units accounted to Rs. 5.29 lakhs. Taking the pattern of investment Chittoor takes the 1st place with highest capital (Rs. 1.83 lakhs) followed by Cuddapah (Rs. 1.36 lakhs), Kurnool (Rs. 1.13 lakhs) and Anantapur (Rs. 0.97 lakhs).

Number of persons provided employment in these units came to 5,267. District-wise break-up is as follows: The highest percentage (37) of workers in Chittoor and rest of the employees are in the other districts i.e., 25 percent in Cuddapah, 20 percent in Kurnool and 18 percent in Anantapur.
Mineral based Units:

With 205 units in Chittoor, 193 units in Anantapur, 152 units in Cuddapah and 114 units in Kurnool, the mineral based units total to 664, with total investment of Rs. 6.02 lakhs. viz., in Chittoor Rs. 2.31 lakhs, in Kurnool Rs. 1.57 lakhs, in Cuddapah Rs. 1.20 lakhs and in Anantapur Rs. 0.94 lakhs.

Employment in these units represent 9.8 percent (5937 persons). Out of these 2688, 1146, 1143 and 960 persons are working in Chittoor, Anantapur, Cuddapah and Kurnool districts.

Textile based Units:

The share of textile based units works out to 5 percent (302 units) to total industrial units in the region. Share of investment and employment accounted to 6.41 percent (Rs. 3.65 lakhs) and 10.25 percent (6,162 persons) respectively.

In number of units, first place goes to Anantapur (141 units), followed by Cuddapah (68 units), Chittoor (50 units) and Kurnool (43 units) respectively. Investment-wise the first place goes to Kurnool (Rs. 1.50 lakhs) followed by Cuddapah (Rs. 1.24 lakhs), Anantapur (Rs. 0.70 lakhs) and Chittoor (Rs. 0.21 lakhs). Kurnool stands in the first place with highest number of employees (3232 persons) followed by Anantapur (1331 persons), Cuddapah (1091 persons) and Chittoor (508 persons).
**Engineering and allied Units:**

Under this category, there were 136 units in Cuddapah with an investment and employment of Rs. 0.81 lakhs and 673 persons respectively. In Anantapur 86 units, with an investment of Rs. 0.57 lakhs were working, providing employment opportunities for 398 persons. In Chittoor with an investment of Rs. 0.97 lakhs, 73 units were set up, providing jobs for 861 persons. But in Kurnool only 9 units were set up with an investment of Rs. 0.08 lakhs and employment provided in these units only to 24 persons.

Total number of units came to 304, investment and employment in these units, worked out to Rs. 2.43 lakhs and 1956 persons which represent their share of 4.8 percent, 4.3 percent and 3.3 percent respectively for the total.

**Chemical based Units:**

Out of total number (626) of units of this category, the highest number (224) were in Chittoor followed by Anantapur (150 units), Cuddapah (143 units) and Kurnool (109 units).

The capital invested in these units accounted to Rs. 7.45 lakhs, viz., Rs. 3.25 lakhs in Chittoor, Rs. 1.80 lakhs in Cuddapah, Rs. 1.50 lakhs in Kurnool and Rs. 0.90 lakhs in Anantapur. They provided jobs for 7492 persons, with 1667 persons in Anantapur, 3214 persons in Chittoor, 1572 persons in Cuddapah and 1039 persons in Kurnool.
The percentage of number of units, investment and employment to the total, works out to 99.13 and 12.46 percent respectively.

**Animal Husbandry Units:**

This category secures the last place in number of units, (134 units or 2.12 percent) in investment (Rs. 0.30 lakhs or 0.53 percent) and in employment (638 persons or 1.06 percent) to the total.

The other details are: 48 units, with an investment of Rs. 0.06 lakhs, in Anantapur providing jobs for 110 persons. 20 units, with an investment and employment of Rs. 0.05 lakhs and 193 persons respectively in Chittoor. 42 units with an investment and employment of Rs. 0.07 lakhs and 180 persons respectively in Cuddapah. 24 units in Kurnool, with an investment and employment of Rs. 0.12 lakhs and 149 persons.

**Building Material based Units:**

This category of units account to 9.69 percent to the total number of units in the region. Investment in the above units constitutes to 13.07 percent and Employment works out to 17.47 percent.

The break-up of number of units, investment and employment is as under:
The highest number of units (211 units) providing employment (3403 persons) with an investment of Rs. 3.04 lakhs (largest amount in the districts of the region) were set up in Kurnool. Second place goes to Cuddapah (except in employment) in respect of number of units (183 units) and investment (Rs. 2.36 lakhs). Chittoor and Anantapur districts are placed at third and last positions respectively in case of number of units and investment. In respect of employment the second place goes to Chittoor (3050 persons), first place to Cuddapah (2656 persons) and last place to Anantapur (1392 persons).

Others:

The region has a few other categories of industrial units and their number is 853 with an investment of Rs. 5.60 lakhs and employment 5339 persons. The share in percentage to total constitutes to 13.51 in number of units, 9.83 of capital and 8.88 of employment.

Out of total number of units, 244 units with an investment of Rs. 1.57 lakhs, providing employment for 1448 persons belonged to Chittoor. 238 units were at Kurnool providing employment for 2000 persons with the capital outlay of Rs. 1.07 lakhs. 209 units were at Cuddapah and 162 units were at Anantapur, providing jobs for 1017 and 874 persons respectively. Capital investment in these units amounted to Rs. 1.07 lakhs in Cuddapah and Rs. 0.85 lakhs in Anantapur.
Position of Tiny Units:

Table 2.7 gives the district-wise position of Tiny units in Rayalaseema.

**TABLE - 2.7**

District-wise position of Tiny Units in Rayalaseema - 1985

<table>
<thead>
<tr>
<th>District</th>
<th>No. of Units</th>
<th>Capital Investment (in lakhs)</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anantapur</td>
<td>902</td>
<td>496.47</td>
<td>8112</td>
</tr>
<tr>
<td></td>
<td>(29.95)</td>
<td>(26.38)</td>
<td>(37.19)</td>
</tr>
<tr>
<td>Chittoor</td>
<td>819</td>
<td>523.07</td>
<td>5799</td>
</tr>
<tr>
<td></td>
<td>(27.10)</td>
<td>(27.79)</td>
<td>(26.59)</td>
</tr>
<tr>
<td>Cuddapah</td>
<td>686</td>
<td>458.71</td>
<td>4946</td>
</tr>
<tr>
<td></td>
<td>(22.83)</td>
<td>(24.38)</td>
<td>(22.67)</td>
</tr>
<tr>
<td>Kurnool</td>
<td>604</td>
<td>403.56</td>
<td>2956</td>
</tr>
<tr>
<td></td>
<td>(20.05)</td>
<td>(21.45)</td>
<td>(13.55)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3011</strong></td>
<td><strong>1881.81</strong></td>
<td><strong>21813</strong></td>
</tr>
<tr>
<td></td>
<td>(100.00)</td>
<td>(100.00)</td>
<td>(100.00)</td>
</tr>
</tbody>
</table>

**NOTE:** Figures in parentheses represent percentages to total.

**Source:** Data collected.

As on December 1985, there were 3011 tiny units in the region. The investment in these units amounted to Rs. 1881.81 lakhs with 21813 persons in employment.

The highest number of units (902) were established in Anantapur followed by Chittoor (819), Cuddapah (686) and
POSITION OF TINY UNITS IN RAYALASEEMA

(DISTRICT-WISE : IN PERCENTAGE)
Kurnool (604). Investment pattern in the above units is as follows:

An amount of Rs. 496.47 lakhs (26.38%) was invested in the units of Anantapur. 27.79% (Rs. 523.97 lakhs) in Chittoor. An investment of Rs. 458.71 lakhs (24.38%) was made in Cuddapah and the Kurnool district came out with a capital of Rs. 403.56 lakhs (21.45%).

Regarding the employment in the above units, the highest percentage (37.19% or 8112 persons) goes to Anantapur. Chittoor provided employment for 5799 persons (26.59%) followed by Cuddapah with 4946 employees (22.67%) and Kurnool 2956 persons (18.55%).

**Conclusion:**

Rayalaseema is one among the three major regions of the State of Andhra Pradesh. It consists of four southern districts of the State, viz., Anantapur, Chittoor, Cuddapah and Kurnool.

Agriculture is the main occupation of the region. Which is considered as a drought prone area, as it receives scanty rainfall and does not have perennial rivers. But the area is mainly rich and densely populated. Industrial infrastructure facilities are available to a satisfactory level. Small and tiny units are more in number than large and medium scale units in this region. As the region is declared as a backward area a number of incentives and
concessions are available for the entrepreneurs who wish to promote new industrial units.

SUMMARY

Under the title - 'Industrial Scene of Rayalaseema' - the position of different categories of industries vis., large and medium, small scale and tiny sector has been analysed district-wise in the region (Rayalaseema). This analysis is made with reference to -

1. Number of Units
2. Capital Investment, and
3. Employment.

The important issues - analysed in this chapter are enumerated as follows:

1) Rayalaseema occupies 24.5 percent of the land, and 18.09 percent of the population in the state. Its literacy rate (29.49%) is almost nearer to the literacy rate of the state i.e., 29.72 percent. Its density of population is at 144 persons per Sq. Km. which is below the average for the State (195 persons per Sq. Km.). But its percentage of rural population (79.82%) to the total is higher than the percentage for the entire state which is at 76.75 percent.

2) Among the districts of the region:
(a) Area-wise the top priority goes to Anantapur (19.1 thousand Sq. Km.) followed by Kurnool (17.7 thousand Sq. Km.), Cuddapah (15.4 thousand Sq. Km.) and Chittoor (15.2 thousand Sq. Km.).

(b) As regards population, the first place goes to Chittoor (27.47 lakhs), second place to Anantapur (26.18 lakhs) followed by Kurnool (24.04 lakhs) and Cuddapah (19.28 lakhs).

(c) Regarding the percentage of rural population to total, the sequence goes as below, viz., Chittoor (83.18%), Cuddapah (80.59%), Anantapur (79.74%) and Kurnool (75.48%).

(d) Density of Population:
   First place: Chittoor (181 persons/Sq.Km.)
   Second place: Anantapur (137 persons/Sq.Km.)
   Third place: Kurnool (136 persons/Sq.Km.)
   Fourth place: Cuddapah (126 persons/Sq.Km.)

(e) Districts show the following rate of literacy:
   Chittoor: 31.60 percent
   Cuddapah: 30.99 percent
   Kurnool: 28.42 percent
   Anantapur: 27.08 percent.

3) Rayalaseema is noted to be a frequent famine affected area.

4) Average rainfall in the region is about 672 mm which is far below the state's average rainfall of 896 mm.
5) The region lacks perennial sources of water. Though 9 rivers flow through the region, all of them are rainfed. Only source of irrigation, for this region is Kurnool - Cuddapah (K.C) Canal. Main sources of irrigation are wells and tanks.

6) The region is rich with normal forest resources. Chittoor and Cuddapah districts have land masses with large forest areas. Whereas the other two districts are not rich with forest areas.

7) The region is endowed with rich mineral resources, like lime stone, barytes, asbestos, clays, iron ore, diamonds, gold, copper, lead, zinc, stealite, etc.

8) Among the districts of the region, taking large and medium scale industries into consideration, the level of industrialisation is highest in Chittoor in recent years (from 7 units in 1971 to 31 units in 1985). But the speed of industrialisation is greatest in Cuddapah (from 1 unit in 1971 to 16 units in 1985).

9) In respect of Small Scale Sector, Chittoor tops the list. Kurnool stands last.

10) Anantapur gets number one position in respect of Tiny units followed by Chittoor, Cuddapah and Kurnool.