

## CHAPTER - IV

### ■ INTERPRETATION OF DATA: SMALL SCALE WAVING INDUSTRY IN HUNAGUND TALUKA"

1. Introduction
2. General Information
3. Capital Structure.
4. Raw materials.
5. Production.
6. Marketing.
7. Employment.

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INTERPRETATION OF DATA

INTRODUCTION :

The weaving industry is relatively a good old industry in India that developed primarily after the world war II. It gained momentum after the adoption of power looms.<sup>1</sup>

"Weaving industry is assuming increasing importance in the industrial life of India. In view of the emphasis on its essentiality and the scope for wide and gainful employment opportunities in relation to investment, the small scale industries play an important at times crucial role in the development of rural areas."<sup>2</sup>

The small scale weaving industry has an immense scope for the manufacture of essential goods and sarees in Karnataka State. It also provides sufficient scope for diversification of output.

The study has indicated the importance of the small scale industries in the Hunagund taluka especially with respect to the weaving units under the textiles sector. Various aspects of these are studied under the heads : General information, capital structure, raw materials, production, Marketing and employment.

GENERAL INFORMATION :

TYPES OF ENTERPRISES :

There are four types of enterprises in the small scale industries; Sole proprietorship, partnership, cooperative and

family concern. In the sole proprietorship ~~only~~ one person is involved in the ownership in his business. Under partnership two or more people are involved in the ownership and control of business activities. Cooperative societies are formed by a few persons pooling their resources for common benefit. Family concern means control of a business by members of a family only.

The most common type of enterprise in the small scale weaving industry of Hunagund Taluka is that of sole proprietorship (Table No. 4.1). Out of 230 units surveyed, 120 units belonged to sole proprietorship form of business organisation, accounting for 52.2 percent of the total. Fifty units belonged to partnership type of business organisation accounting for 21.7% of the total units, whereas sixty units belonged to cooperative society type of business organisation accounting for 26.1% of the total.

There was not a single unit from among those surveyed which could be classified as a family concern.

TABLE NO.4.1

TYPES OF ENTERPRISES

Sr. No.	Types of enterprise	Ilkal	Sulibhavi	Amin gad	Kamt agi	Units	% to the total
1.	Sole proprietorship	90	10	15	5	120	52.2
2.	Partnership	15	7	8	20	50	21.7
3.	Cooperative	30	11	12	7	60	26.1
4.	Family concern	—	—	—	—	—	—
Total		135	28	35	32	230	100.00

The small scale industries serve as the best source of self employment. The very fact that the sole proprietorship form of enterprise is the most common one is led to conclude that the argument of self employment in favour of small industries holds dominant place here. The cooperative form takes the second place. Partnership takes the third place.

Of the 120 sole proprietorship organisations, 90 (75%) were in Ilkal, 10(8%) in sulibhavi, 15(12%) in Amingad and 5(5%) in Kamtagi.

Of the 50 partnership organisations, 15 (30%) were in Ilkal, 7(14%) in Sulibhavi, 8(16%) in Amingad and 20(40%) in Kamtagi.

Similarly of the 60 cooperative units in Sulbhavi, 11(18%), 12(20%) in Amingad and 7(12%) in Kamtagi, 30(50%) were in Ilkal.

These indicate that Ilkal enjoys a predominant position with respect to have the largest number of sole proprietorships and cooperatives among all the places investigated. Kamtagi enjoys predominance over others in respect of partnerships.

YEAR OF ESTABLISHMENTS :

The units studied in the present study have been classified on the basis of the year of establishment as indicated in Table No. 4.2.

TABLE NO. 4.2

CLASSIFICATION OF UNITS BY THE YEAR OF ESTABLISHMENT :

Year	Ilkal	Sulbhavi	Amingad	Kamtagi	No. of Units	Percentage.
Before 1950	4	3	1	2	10	4.3
1951-60	10	5	6	4	25	10.9
1961-70	34	5	9	7	55	23.9
1971-80	51	6	13	10	80	34.8
1980 & onwards	36	9	6	9	60	26.1
Total	135	28	35	32	230	100.0

The data in the table clearly indicate that there were a number of weaving units in the small scale sector much before the era of economic planning commenced.

of the 230 sample units a few, 4.3 percent, were in existence before 1950. The number of each units increased since then. Of the sample units, 25 (10.9%) were setup between 1951 and 1960, 55 (23.9%) during 1961-70, 80 (34.8%) during 1971-80, and 60 (26.1%) after 1980.

This indicates that the majority of the units were setup after 1960. 195 (85% of the sample size) perhaps reflecting the adoption and implementation of the policy of encouraging the development of small scale enterprises by the Government.

As the table indicates majority of the industrial units in the four areas under study were setup from 1971 onwards (61%) Again, Ilkal held the pride of place with 87 of the 140 units setup in the period after 1971. Amingad and Kamtagi hold second position with 19 units each, followed by subhavi with 15 units.

These further fortify the importance of the Ilkal regions amongst the four areas under discussion.

#### NATURE OF ORGANISATION :

Regarding the nature of work of the establishments an inquiry was made to find out whether the establishment is an independent one or it works for dealers on contract basis or works partly independently and partly for dealers or it works for cooperatives or works partly independently and partly for cooperatives. Out of 230 units surveyed, 120 have revealed that they are independent

establishments which account for 52.2% of the total, (Table No. 4.3) Fifty units revealed that they work for dealers on contract basis according 21.7 percent, 40 units work for the co-operatives accounting 17.4 percent. The remaining 20 units revealed that they work partly independently and partly for dealers accounting for 8.7 percent of all units.

Ilkal again enjoys a predominant position with respect to the number of independent units (75%) with 20 workers for dealers, 11 independently and partly for dealers and 14 for the co-operatives.

IN Sulibhavi, of the 28 units 10 were independent, 5 worked for dealers, only one combined its working for the self and the dealers, and 12 worked for co-operatives.

As for as Amingad is concerned of the 35 units, 15 were independent, 10 worked for dealers, 6 worked partly independently and partly for dealers and 4 worked for co-operatives.

The case of Kamtagi is slightly different, in that almost 50 percent of the total units worked for the dealers, remaining 50 percent of the total units worked for independent, partly independent and partly for dealers and co-operatives.

TABLE NO.4.3

NATURE OF ORGANISATION

Sr. No.	Nature of organisation	Ilkal	Sulbhavi	Amingad	Kamtagi	No.of Units	percentage
1.	Independent	90	10	15	5	120	52.2
2.	Unit works for dealers	20	5	10	15	50	21.7
3.	Works partly independently and partly for dealers.	11	1	6	2	20	8.7
4.	Works for the cooperatives	14	12	4	10	40	17.4
Total		135	28	35	32	230	100.0

It is therefore, observed that the majority of the units are independent units. This is evident on the basis of the nature of the organisation.

USE OF POWER AND NATURE OF POWER USED :

Power is an essential factor (input) in the modern productive processes. Different sources of power can be used, for example animal, steam, gas, electricity, coal, diesel oil, manual etc.

Out of 230 units surveyed 215 units used manual power accounting for 93.5 percent of the total (table No. 4.4). The manual power refers to the power of the human beings without the use of modern machinery. Fifteen units used electricity accounting for only 6.5 percent of the total.



TABLE NO.4.4

NATURE OF POWER USED

Sr. No.	Nature of power used.	Ilkal	Sulbhavi	Amingad	Kamtagi	No. of units.	percentage.
1.	Diesel	-	-	-	-	-	-
2.	Coal	-	-	-	-	-	-
3.	Electricity	12	3	-	-	15	6.5
4.	Manual power	123	25	35	32	215	93.5
5.	Others	-	-	-	-	-	-
Total		135	28	35	32	230	100.0

It can be concluded that 93.5 percent of the total units surveyed make use of manual power. Remaining 15 units accounting 6.5 percent use of modern type of power, i.e. electricity. This shows even today majority of the units were operated by the traditional manual power.

Of the 15 units using electricity to power their machines, 80 percent were in Ilkal and the remaining in Sulibhavi. Amingad and Kamtagi used hundred percent manually operated techniques of production.

The data fortifies the labour intensive argument in favour of small scale industries and reflect the type of investment in Ilkal and Sulibhavi ( i.e. power looms).



TYPES OF UNIT :

The use of manual source of power is possibly indicative of the type of production units employed in the small scale weaving sector in the Hunagund taluka. There are mainly two types of units . They are Handlooms and Power looms. Among them 215 were handlooms and 15 were power looms, (table No. 4.5)

TABLE NO. 4.5

<u>TYPES OF UNITS</u>							
Sr. No.	Types of Units.	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of Units.	Percentage
1.	Handloom	123	25	35	32	215	93.5
2.	Power looms	12	3	-	-	15	6.5
3.	Others	-	-	-	-	-	-
Total		135	28	35	32	230	100.0

The majority of the units therefore, revealed that they were handlooms, thus manual power operated. Only a few of them were power looms. The predominance of the hand loom sector as also that of the sole proprietorships reflect the economic strength of the weaving units in the small scale sector.

REGISTRATION :

Since the sample units belong to three categories, on the basis of type or ownership Viz. Sole proprietorship, partnership and cooperative units only those in the latter category would

be obliged to register themselves. Of 60 units in the cooperative sector, not a single unit was unregistered. But of the remaining 170 units (73.9%) not even one had registered itself as a small scale unit.

Of the sixty units registered, 38(63%) were in Ilkal, 12 (20%) in Sulibhavi, 6( 10%) in Amingad and 4(7%) in Kamtagi.

Further the distribution of 170 registered units was as follows. Ilkal 97(57%), Sulibhavi 16(9%), Amingad 29(17%) and Kamtagi 28(17%).

TABLE NO.4.6

REGISTRATION

Sr. NO.	Items	Ilkal	Sulibhavi	Amingad	Kamtagi	No.of Units.	Percentage.
1.	Registered units.	38	12	6	4	60	26.1
2.	Unregistered Units.	97	16	29	28	170	73.9
	Total	135	28	35	32	230	100.0

Following are the benefits available for a registered unit.

1. A registered unit can file suit against any party.
2. A registered unit is liable for low rate of income tax.
3. A partner of registered unit can file suit against other partners.

4. Many tax benefit are available to registered firms.

DIS ADVANTAGES OF UNREGISTERED UNIT :

They are :

1. High rate of income tax.
2. Other tax benefits are not available like set off of losses or carry forward benefits.
3. A partner cannot file suit against other partner.
4. Unit cannot file suit against outside parties.

CAPITAL INVESTMENT :

The strengths and weaknesses of any unit may be perceived from the amount of capital investment. On the basis of the capital investment, the establishments were divided under three categories. In the first category the units having capital investment between Rs. 500 and Rs. 1000 were included there were 215 units accounting for 93.5 percent of the total, included in first category.

These units were distributed as under :

Ilkal 123 units (57%) Sulibhavi 25(13%), Amingad 35(16%) and Kamtagi 32(14%).

There were no units having capital investment of between Rs. 1000 and Rs. 2000. Fifteen units were found in the category of Rs. 2000 and Rs. 4000 which accounted for 6.5 percent of the total.

Similarly, of the 15 units with capital investment ranging from Rs. 2000 to Rs. 4000, 12 were in Ilkal and the remaining 3 were in Sulibhavi.

TABLE NO.4.7  
CAPITAL INVESTMENT

Sr. No.	Capital	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units.	percentage
1.	Rs. 500 to 1000.	123	25	35	32	215	93.5
2.	1000 - 2000	-	—	—	—	—	—
3.	2000 - 4000	12	3	—	—	15	6.5
Total		135	28	35	32	230	100.0

The conclusion that emerges here is that from the point of view of capital investment a majority of the small scale weaving units in Hunagund taluka are very small units having fixed capital investment of between Rs. 500 and is 1000, and only powerlooms located in Ilkal having fixed capital investment of Rs. 4000.

FINANCIAL ASSETS :

Finance is the life blood of industrial development. A detailed study was made on the position of the financial assets of the establishments surveyed. The study covered the partners' or owners' fund or loans from banks.

TABLE NO.4.8

FINANCIAL ASSETS

Sr. No.	Financial help to the units.	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units	percen tage.
1.	Own	105	20	25	20	170	73.9
2.	Partners	17	5	9	9	40	17.4
3.	Loans	13	3	1	3	20	8.7
Total		135	28	35	32	230	100.0

It was observed that 170 units had 'Own financial assets accounting for 73.9 percent of the total. of these 170 'Own' finance units 105 were in Ilkal, 20 each in sulibhavi and Kamtagi and 25 in Amingad (Table 4.8). Forty units were run under partnership funds (17.4%) of these 17 units were in Ilkal, 5 units in Sulibhavi, 9 units in Amingad and Kamtagi each. Remaining 20 units financial assets include loans from the banks accounting for 8.7 percent, 13 units were in Ilkal, 3 in Sulibhavi, only one in Amingad and remaining 3 in Kamtagi.

Thus the majority of the units were run with their own financial facilities.

RAW MATERIALS :

If finance is the life blood of the industrial progress, raw materials serve as the basic food for industrial development.

The present study covered the weaving units using the various raw materials. They are cotton yarn (plain and colour), silk yarn (plain and colour), Chamaka, Bamber and others.

The present study made an attempt to estimate the various types of raw materials used during the last year and the value of these raw materials used by all the 230 units was worth Rs. 1745000 in 1984-85. Therefore, it can be safely concluded that, at an average, each unit used the raw materials worth Rs. 7686.96. However, there were vast variations regarding the value of the raw materials used from handlooms to powerlooms.

TABLE NO.4.9

RAW MATERIALS USED

Sr. No.	Raw materials	No. of Units.
1.	Cotton Yarn ( plain)	150
2.	Cotton Yarn ( Colour)	70
3.	Silk Yarn ( plain)	10
4.	Silk Yarn ( colour)	10
5.	Chamaka	220
6.	Bamber	70
7.	Others	70

As the study concentrates on the analysis of small scale weaving units, it can be concluded that various types of yarn like cotton, silk, chamka, bambur etc. Serve as the basic raw materials of the industries.

PURCHASE OF RAW MATERIALS :

An inquiry was made about the purchase of principal raw materials by the units surveyed (table No. 4.10). On investigation whether they buy the principal raw materials in the local market or distant markets, none of the units was found buying their principal raw materials in the 'foreign' market. Two hundred of the two hundred and thirty (86.10 %) were found to <sup>be</sup> buying their principal raw materials in the local market only. Further twenty units were found to be purchasing their principal raw materials in the state market mostly from Bangalore, which accounted for 8.7 percent of the total. The remaining ten units were found to be procuring their principal raw materials from the national market, such as Maharashtra and Tamil Nadu, which accounted for 4.3 percent of the total. These facts have been summarised in the following table No. 4.10.

Of the 200 units purchasing from the local market, 121 were from Ilkal, 19 from sulibhavi, 32 from Aminagad and 28 from Kamtagi.

Those procuring from the state market, numbered 20, with 9 from Ilkal, 7 from Sulibhavi, 2 each from Amingad and Kamtagi.



There were only ten units purchasing in the national market, which 5 were from Ilkal, 2 each from Sulibhavi and Kamtagi, and one from Amingad.

TABLE NO.4.10

PURCHASE OF RAW MATERIALS

Sr. No.	Markets	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units.	percent- age.
1.	Local Market	121	19	32	28	200	86.10
2.	State Market	9	7	2	2	20	8.7
3.	National Market	5	2	1	2	10	4.3
	Total	135	28	35	32	230	100.0

Hunagund Taluka is well known for its weaving industry and also as a developing Taluka. Local traders know their customers well and give their customers the raw-materials on credit basis. It can be noted that the tendency of local entrepreneurs is to purchase raw materials locally and to some extent in the state and national market.

It is interesting to note that, generally the small scale weaving industry in India, is not 'import intensive' and the units surveyed in Hunagund Taluka are no exception to this. A dependence on the import of raw materials particularly to meet the needs of domestic/local demand can help aggravate foreign exchange problems. The sample units needs are met from the domestic, more local market

and hence play a supportive role in enhancing employment opportunities.

SOURCE OF SUPPLY OF RAW MATERIALS :

Though the raw materials needs are locally procured, it is necessary to determine whether any middlemen are involved in the process. Of the 230 units surveyed 73.10 percent purchased their raw materials from producers directly, (table No. 4.11). Further thirty units were found to be purchasing their principal raw materials through middlemen and accounted for 13 percent, twenty units acquired the raw materials through the cooperative societies, accounting for 8.7 percent of the total. The remaining ten units purchased the raw materials from the cooperative societies, which accounts for 4.3 percent.

TABLE NO.4.11

SOURCE OF SUPPLY OF RAW MATERIALS

Sr. No.	Source	Ilkal	Sulibhavi	Amingad	Kantagi	No. of units.	percentage.
1.	Directly from the producers	109	14	23	24	170	73.10
2.	Through middlemen	15	3	7	5	30	13.00
3.	Through cooperative societies.	8	7	3	2	20	8.07
4.	From the cooperative societies.	3	4	2	1	10	4.03
	Total	135	28	35	32	230	100.0

An interesting aspect of the purchasing practices of the units surveyed is the more or less sedate role played by the co-operatives. Although sixty of the units surveyed were cooperative in nature and forty units were working for the cooperatives the supply of raw materials through and from the cooperatives was patronised by a much smaller number of units, 30. This shows that even those 40 units which work for the cooperatives do not procure their raw materials from the cooperatives. This probably reflects the inability of the cooperative sector to meet the raw material needs of the units. The predominant position of Ilkal is again evident from the fact that of the 170 units procuring their raw materials directly from the producers, those from Ilkal accounted for 64 percent, followed by Kamtagi (14%), Amingad 13.5%) and sulibhavi (8%).

Thirteen percent of the sample units procured their needs through middlemen the premier position here too goes to Ilkal with 15 units (50 percent) followed, in terms of magnitude, by Amingad (23 percent), Kamtagi (17 percent) and Sulibhavi(10%).

DIFFICULTIES ENCOUNTERED IN SECURING RAW MATERIALS :

Some of the difficulties encountered by the small scale weaving units were put forward by most of the units investigated. A few of them important problems encountered by them have been listed below. :

1. The supply of raw materials is irregular and shortages in local, state and national markets are more or less perennial in nature.
2. The supply of raw materials is irregular especially during the rainy seasons due to lack of adequate transport facilities.
3. The prices of raw materials are rising rapidly while the prices of finished products do not change commensurately.

PRODUCTION :

Generally rapidly increasing production is a good sign of strength of production units. The present survey made an intensive study of the inputs as well as the output. While dealing with the aspect of production information was gathered about the types of products manufactured and their value in the last year. An attempt was also made to ascertain the annual production of each unit surveyed.

PRODUCTION IN THE LAST YEAR :

The present study covered the units producing sarees, silk pegota, blouse pieces (Khana) etc. The total value of these products produced by all these units in the last year amounted to Rs. 2032680. Each unit, on an average produces different products worth Rs. 8837.75, though the exact values would differ from unit to unit depending upon the product and quantity mix.

The important products produced by the different units are listed in (table No. 4.12).

TABLE NO.4.12

PRODUCTION OF THE UNITS

Sr. No.	Products	Ilkal	Sulibhavi	Amingad	Kamtagi	No.of units	percentage
1.	Sarees	134	28	32	26	220	95.6
2.	Dhoties	-	-	-	-	-	-
3.	Silk pegota	1	-	-	4	5	2.2
4.	Blouse pieces (Khana)	-	-	3	2	5	2.2
5.	Others	-	-	-	-	-	-
Total		135	28	35	32	320	100.0

It can be easily noticed that the majority of the weaving units are sarees manufacturing units. The data collected from the 230 units indicate that almost 95.6 percent of the total (almost 95.6 percent of the total) units in the sample produced sarees. The remaining ten units were divided equally in the production of silk pegota(5 units) and blouse pieces( 5 units).

Ilkal had only one unit producing silk pegota(while the rest produced sarees), sulibhavi units produced only sarees, in Amingad three units produced blouse pieces (Khana) where as in Kamtagi only two units produced Khana and further four units also

produced silk pegota.

TOTAL ANNUAL PRODUCTION FOR THE LAST SIX YEARS :

The study also attempted to know the total annual production from 1980-81.

Favourable response was found when the inquiry was made about the annual production position for these six years. The aggregate annual production of all the units together for the year 1984-85 amounted to Rs. 2032680. It gives an idea of average annual production by each unit for the year 1984-85 (table No.4.13) works out to be Rs. 8837.75.

The corresponding figures for other years were : 1980-81, Rs. 15,40,225, 1981-82 Rs. 16,20,260, 1982-83 Rs. 17,19,625, 1983-84 Rs. 18,04,665, 1984-85 Rs. 20,32,680 and 1985-86 Rs.22,80,000.

TABLE NO.4.13

TOTAL ANNUAL PRODUCTION FOR THE LAST SIX YEARS.

Year	Total annual production	Percentage over the previous year increase.
1980 -81	15,40,225	-
1981- 82	16,20,260	5.19
1982- 83	17,19,625	6.13
1983- 84	18,04,665	4.94
1984- 85	20,32,680	12.6
1985- 86	22,80,000	12.16

It can be seen that the rate of growth of annual production has been increasing. The rate of increase was 5.19 percent in 1981-82, 6.13 percent in 1982-83, 4.93 percent in 1983-84, 12.6 percent in 1984-85 and 12.16 percent in 1985-86.

PRODUCTION FOR THE CURRENT YEAR 1985-86.

The total value of production for the different items during the current year 1985-86 is given below. The total values of sarees both plain and design is Rs. 21 lakhs, silk pegota Rs. 1.5 lakhs and blouse pieces (Khana) Rs. 30 thousand.

TABLE NO. 4.14

PRODUCTION FOR CURRENT YEAR 1985-86.

Types of Organisation. Items.	Sole Proprietorship.		Partnership		Cooperative		Total	
	Units	Values	Units	Values	Units	Values	Units	Values
Sarees (plain)	10440	939600	4340	390600	5220	469800	20000	1800000
Sarees (colour)	1044	156600	434	65100	522	78300	2000	3000000
Dhoties	-	-	-	-	-	-	-	-
Silk pegota	261	78300	108	32400	131	39300	500	150000
Blouse pieces	2610	15660	1085	6510	1305	7830	5000	30000
<b>Total</b>		<b>1190160</b>		<b>494610</b>		<b>595230</b>		<b>2280000</b>

Thus, the plain sarees constitute the main item of production accounting for almost 79 percent of the total value of production, followed by printed sarees (13 percent), silk pegota (7 percent) and blouse pieces (Khana) (1 percent).

CAPACITY UTILISATION :

The continued viability and growth of the units in the small scale sector under study depend upon greater utilisation of capacity. The study has revealed that units are working below maximum capacity.

The investigation as well as the direct interview with the owner of the weaving units have revealed some reasons for working below the capacity. These reasons include :

1. Due to shortage of raw materials the firms are unable to meet the market demand.
2. Although there are shortages of raw materials, whatever is available is not supplied regularly, resulting in further under utilisation capacity.
3. Shortage of electricity to power looms.
4. Workers are involved in other occupations like agriculture
5. Low working conditions of the workers due to religious and social causes like fair, festivals and social causes like marriage, death ceremonies.
6. Competition modern production units of similar goods.



WORKING CONDITION :

An attempt is made to study the working of sample units under various types of environments.

The capacity utilisations also depends upon among others the number of days worked during the year.

On surveying 230 units it was found that each unit worked 265 days on an average during the year. The average number of working days never reaches 365 days due to the workers habits of not reporting for duty. Such incidence of absenteeism is a direct consequent of the socio-religious practices in the region. Generally the number of working days is 265 and the remaining 100 days are normally utilised for religious and social holidays. Even though the work is there the workers are not working during these holidays because of the tradition of the society.

REASONS FOR NOT WORKING :

The possible reasons for man days lost in production during a year can be classified in to six major categories, Viz. Strikes, leave, sickness, lack of raw materials, power shortages and others. (Table No. 4.15).

The reporting units were asked to specify any other reasons for not working is classified as 'others' which include religio-social occasions, which for a tradition bound society are

indispensable. Legitimate leave was reported as a reason for not working by only 15 units, spread over Ilkal and Sulibhavi. Therewere, besides these no other cause for not working.

TABLE NO.4.15

REASONS FOR NOT WORKING FULLY

Sr. No.	Reasons	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units.	percentage
1.	Strike	-	-	-	-	-	-
2.	Leave	12	3	-	-	15	6.5
3.	Sickness	-	-	-	-	-	-
4.	Lack of raw-materials	-	-	-	-	-	-
5.	Power shortage	-	-	-	-	-	-
6.	Others	123	25	35	32	215	93.5
	Total	135	28	35	32	230	100.0

Thus, the major reason for under utilisation can be attributed to social and religious traditions. Being an underdeveloped region, Hunagund Taluka has a fair share of illiterates and therefore superstitious and custom bound populous. These factors therefore, must contribute to the less than full utilisation of capacity.

NUMBER OF WORKING HOURS PER DAY :

All the reporting establishments have revealed that the number of working hours per day is eight, with no shifts.

Only the 15 power looms have shifts.

DESIGN :

Two hundred and Ten units reported that they were using traditional designs, accounting for 91.3 percent of all units, (Table No. 4.16). Further twenty units (8.7%) used modern designs depending upon the customers' demand and choice.

TABLE NO.4.16

DESIGN

Sr. No.	Design used	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units.	percen- tage.
1.	Traditional	123	23	33	31	210	91.3
2.	Conventional	-	-	-	-	-	-
3.	Modern	12	5	2	1	20	8.7
Total		135	28	35	32	230	100.0

The use of the designs and the design choice help indicate the limitations of the weaving units in the small scale sector in the Hunagund taluka. This would probably also indicate that there is no technological development here. Therefore a majority of the units is using the traditional design. Remaining few units are having modern technological designs. Thus the type of technology used will also make it possible or otherwise to change and up date designs used.

MARKETING :

The institute of marketing defined the term marketing as "The management function which organises and directs all those business activities involved in assessing and converting customer purchasing power in to effective demand for a specific product or service to the final consumer or user so as to achieve the profit target or other objectives set by a company."<sup>3</sup>

In the aspect of marketing of weaving goods the present investigation throws light on where and to whom the goods are sold, difficulties encountered in marketing the goods and remedies suggested to overcome these difficulties.

BUYERS OF FINISHED PRODUCTS :

Twenty units were found selling their goods to the dealers who advanced money to them for the purpose (Table No.4.17). Such units accounted for 8.7 percent of the total. Seventy other units (30.4%) sold their goods to the dealers who had advanced raw materials on contract basis. Ten units (4.3%) sold their goods to the cooperatives which advanced money. Thirty two units ( 13.9%) sold their goods to the cooperatives which advance raw materials. Sixteen units (6.10%) sold their output not to one outlet but to at least some of them. However, the remaining 82 units (35.7%) sold their goods directly to the local customers. In case when raw material is given to the workers, there is fixed

rate to weave one saree, i.e. the workers will receive the same amount of money even if market conditions change. So here the producers are benefitted. When money is advanced to the workers if the price of the raw material falls, workers are benefitted. If price rises the producers are benefitted.

TABLE NO. 4.17

BUYERS OF FINISHED PRODUCTS

Sr. No.	Buyers	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units.	Percentage
1.	Dealers who advanced money	15	-	2	3	20	8.7
2.	Dealers who advanced raw materials	40	5	15	10	70	30.4
3.	Cooperative which advanced money	2	5	2	1	10	4.3
4.	Cooperative which advanced raw materials	14	12	3	3	32	13.9
5.	To all of them	-	-	-	-	-	-
6.	To some of them	10	-	3	3	16	6.10
7.	Others	54	6	10	12	82	35.7
Total		135	28	35	32	230	100.0

The financial weakness of the units surveyed can be gauged from the fact that about 64 percent of all units sold their output to those who had lent money to them or to those who 'advanced' raw materials to them. Of the 135 units in Ilkal 81 units came under financially weak units, 22 (out of 28) in Sulibhavi, 25 (out of 35) in Amingad 20 (out of 32) in Kamtagi. The progress Therefore, of these units hinges on them being delivered from the sources of supply of money and/or raw materials.

It can be concluded that the majority of the units covered by the sample sell to the local customers and dealers who advanced raw materials (66 percent of the total).

MARKET FOR SELLING GOODS :

The importance of marketing to the society, individual and business firms, are : Marketing stimulates specialisation and division of Labour. Marketing helps in raising the living standards of people in the society. Marketing helps in providing gainful employment opportunities and achieving full employment in the economy. Marketing helps in maintaining high level of economic activity and finally achieving economic stability. Marketing enables every business units to earn as much profit as possible. Marketing serves as a basis for taking decisions. Marketing serves as a source of market information.

Of the 230 units surveyed, 91.3 percent sold their goods in the local market, (Table No. 4.18). Only twenty (8.7%) sold their goods in the distant market in the country. None of the units surveyed was servicing the foreign market. It would, however, be pertinent to emphasise here that the marketing problems of these units are compounded by the fact that the disposal of their output appears to be 'tied'.

TABLE NO.4.18

MARKET FOR PRODUCTS

Sr. No.	Market	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units	percentage
1.	Local market	123	23	33	31	210	91.3
2.	Distant market	12	5	2	1	20	8.7
3.	Exports	-	-	-	-	-	-
	Total	135	28	35	32	230	100.0

The majority of the units are locally oriented units. Some of the units sold their goods to the distant market in the country, namely, Maharashtra and Tamil Nadu.

DIFFICULTIES IN MARKETING OF PRODUCTS :

It was noticed that the small scale weaving units were facing goods many difficulties while marketing the products.

Some of the difficulties faced by the producers were :

1. Keen competition faced by their products from the foreign market goods like terline terrycot, Nylon etc.
2. Shortage of working capital.

EMPLOYMENT :

The small scale industries are encouraged especially because of their characteristic feature of having employment potentiality. The present study also makes an investigation in to this aspect. For the purpose of the present study three categories of workers were considered Viz. Family workers outside workers, supervisory and managerial staff.

TYPES OF WORKERS IN UNITS :

The average number of workers per day covered the male and female family workers, outside workers, supervisory and managerial staff. The average employment in one unit is three. 215 units belonged to the family workers which accounted for 93.5 percent of the total. Remaining 15 units employed outside workers which accounted only 6.5 percent of the total (Table No. 4.19).



TABLE NO.4.19

Sr. No.	Category	Ilkal	Sulibhavi	Amingad	Kamtagi	No. of units	per cent of tage.
1.	Family workers	123	25	35	32	215	93.5
2.	Outside workers	12	3	-	-	15	6.5
3.	Supervisory and managerial staff.	-	-	-	-	-	-
Total		135	28	35	32	230	100.0

TRAINING FACILITIES :

In the small weaving units technical and designing training is most essential for the workers employed and owners of the units as well. Handloom technology and Designing is given to meritorious and interested students who have passed S.S.L.C. at selam Handloom Technology Institute in Tamil Nadu, Handloom Designing centre at Banglore in Karnataka State. Two students have completed their training at Selam Handloom Technology Institute in Tamil Nadu and Handloom Designing centre at Banglore in Karnataka. These two students were sent for training by the Shakhambari Cooperative Weaving Society of Sulibhavi. But most of the workers in the units covered had joined as unskilled workers and have obtained training in these units only.

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