

**SOCIO-ECONOMIC CONDITIONS OF WOMEN
WORKERS IN KHADI AND VILLAGE
INDUSTRIES IN KERALA**

**By
Divya.M**

Thesis

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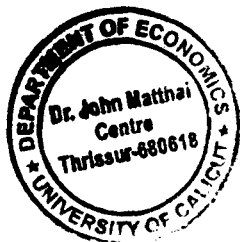
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CERTIFICATE

Certified that this written account "**Socio Economic Conditions Of Women Workers In Khadi And Village Industries In Kerala**" by Divya.M., as the final thesis in connection with Ph.D in Economics is a bonafide work done by the candidate under my supervision. No part of this has been submitted earlier for any other purpose.

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DECLARATION

I, Divya M., do hereby declare that this written account titled **“Socio Economic Conditions Of Women Workers In Khadi And Village Industries In Kerala”** is a bonafide record of research work done by me under the guidance of **Dr. Lakshmi Devi K.R.**, Professor of the Department of Economics, University of Calicut. I, also declare that this has not been submitted by me fully or partially for the award of any degree, diploma, title or recognition before.

Divya.M.
Divya.M

**Dedicated to
My Parents
&
Family**

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Chapter 1

Introduction

In the economic development of India a strategic position has been given to the development of Village and Small Industries (VSI), which constitute an important segment of the overall economy. Next to agriculture, the Village and Small Industries sector provides the greatest employment opportunities, a considerable portion of which is in the rural and semi rural areas.

The Village and Small Industries (VSI) sector comprises both traditional and modern small industries. It is constituted by eight specific groups, viz., handloom, handicrafts, coir, sericulture, khadi, village industries, small-scale industries and powerlooms (Sixth Plan Draft, 1980). The last two items constitute the modern group of industries and the others constitute the traditional industries.

Khadi and Village Industries (KVI) are an important segment of the non-factory unorganized sector of the India economy. These industries occupy an important place in the national economy due to its unique capacity to generate large employment opportunities in the rural areas at low capital. The Khadi and Village Industries help in the utilization of available manpower and raw materials using simple techniques of production.

The role of Khadi and Village Industries in the country can be divided in to two distinct periods, i.e., up to 1947, when India achieved Independence and the period after Independence. The development and role of Khadi and Village Industries in the British period was totally a non-governmental effort under the guidance of Mahatma Gandhi. During the Freedom Movement, the development of KVI was used as an instrument to meet the twin objectives of self-reliance through local production and seeking active participation of the poor in the struggle for Independence through removal of hunger and unemployment.

After independence the Government of India took the responsibility of the development of this sector for the overall development of the economy. During the initial years of planned development, its potential as an instrument of poverty alleviation was recognized, and the Government took the responsibility of bringing its development within the framework of Five Year Plans. A Statutory body, called the Khadi and Village Industries Commission (KVIC) was created by an Act of Parliament in 1956.

The Khadi and Village Industries Commission have been implementing the Khadi and Village Industries Programme through its regional / State level offices and the Khadi and Village Industries Boards (KVIBs). The state boards (KVIBs) implement about ninety percent of the Village Industries programme and receive funds from both KVIC and the state governments. Almost the entire Khadi sector programme and a small part of the Village Industries programme are being implemented by KVIC directly. Both the Khadi and Village Industries Commission and Khadi and

Village Industries Boards are promotional bodies, which extend a network of institutional, infrastructural and financial support to the Khadi and Village Industries units/institutions.

1.1 Importance of Khadi and Village Industries Sector

The Khadi and Village Industries sector are labour intensive and capital saving in nature. The role of Khadi and Village Industries has therefore, been rightly emphasized in an economy where there is large-scale unemployment and underemployment. The Khadi and Village Industries are considered an important tool for promoting rapid industrial growth by providing greater employment opportunities and bringing about a reduction in regional disparities and removal of economic backwardness of the rural and undeveloped areas of the country

Economic development in an economy faced with the vicious circle of poverty and unemployment is a long-term process. To remove poverty, the purchasing power of the poor masses will have to be increased first, to enable them to fulfill their basic needs. The question of removal of poverty could therefore be identified with the question of providing employment to the unemployed and underemployed. Agriculture is the main source of livelihood for the masses in the country and this primary sector is featured with chronic unemployment and underemployment. It is necessary that avenues of employment in the non-farming occupations have to be provided to tackle this problem. Khadi and Village Industries with its intermediate technology answer this need very well. The Khadi and Village Industries fulfill the social objective of providing employment and at the same time

fulfill the economic objective of producing saleable goods of daily use on a decentralized basis.

1.2 Women and Economic Development

Women have been working in each and every society of the world since the beginning of human civilization. Participation of women in socio economic activities is prevalent in all countries. One of the striking features of women's labour force participation is its drastic change in size and composition in the last several decades. However, this capacity of female population has been largely ignored over the years and has resulted in the poor economic position and low status of women.

Restricted by social customs, religious practices and deprived of educational opportunities and avenues for gainful opportunities, women are economically dependent and socially exploited. Low wages, low earning, low level of skill, dearth of entrepreneurship, poor standard of health and lack of awareness are some of the other dimensions of their low status.

Women form one third of the world's labour force, but are concentrated in the lowest paid occupations and are vulnerable to unemployment (U.N. Report,1995). Women's inferior position is usually seen as a result of their performance of a less specialized and therefore less productive role in society.

A survey of the position and the role of women in the advanced countries and the third world countries points to the need for integrating women into the development process as equal partners with men. It is interestingly being realized that lack of effective linkages between local and

national levels or between specific programmes and macro policies, usually prevents the achievement of women's integration in development. Women must be integrated into the development process not only symbolically and through concrete local projects but in the most central process of resource allocation in development planning (Papnek,H.,1981).

Cross national studies on female labour force participation focus on the point that despite the tremendous growth in the size of the female labour force women still hold traditional jobs, occupy low status jobs and earn much less than men do (Papola, T.S., 1993)

The status of women workers in India is obvious from the fact that 94 percent of them are found in the unorganized sector (Krishna Raj,M., 1985). Lack of adequate employment opportunities, limited skills and literacy and restricted mobility, deprive women from better living conditions.

Kerala offers an interesting paradox of social advancement and economic stagnation. Women in the state in spite of enjoying better status and position compared to other parts of the country have low levels of participation in economic activity.

1.3 Scope of the study

The present study is with reference to the women workers in the Khadi and Village Industries in Kerala. Kerala's industrial sector is featured with low productivity, agro based, traditional and backward industries. The traditional and Village Industry absorbs nearly 80 percent of the work force and thereby play a prominent role in the industrial and economic base of the state.

In several respects the state of Kerala is distinct from the rest of the country. The agricultural sector in the state recorded negative growth rate since 1975 and this necessitated shift to non-agriculture for employment. The proportion of agriculture labour household has declined from 28 percent in 1964-65 to 27 percent in 1983-84, those of other rural household rose from 14 percent to 23 percent during the period (Kuttikrishnan, T.N.,1991). In Kerala, out of the total labour force engaged in traditional industries a large percentage is constituted by women. Kerala has the highest rate of rural employment in India.

Kerala remains a paradoxical instance of a low-income agrarian society enjoying high quality of living levels. Agriculture has been largely stagnant in the state and industrial growth lack luster. It has one of the lowest levels of per capita income in the country, as well as highest levels of unemployment (State Planning Board:2003). While the state accounts for only 4 percent of India's population, its unemployment rate is high at 31 percent, with 14 percent of males and 48 percent of the females in the state being unemployed (NSSO: 2000).

The Khadi and Village Industries play a major role in the state of Kerala, faced by high unemployment rate, high population density and low capital. The agriculture sector growth in the state is limited due to the declining rate of cultivable land. In these situations, we can find the relevance of Khadi and Village Industries, which provide employment not only to the unemployed but also for the agricultural workers who face the problem of seasonal unemployment and underemployment.

1.4 Objectives of the Study

The basic objective of the study is to examine the socio economic conditions of women workers in the Khadi and Village Industries in Kerala.

The key objectives of the study are:

- To examine the growth of employment in the Khadi and Village Industries in Kerala.
- To analyse the educational background of the women workers in the selected units.
- To examine the living conditions of women workers in the selected Khadi and Village Industries units.
- To access the quality of life of the women workers in the sample units and to analyse its interrelationship with other variables like education and marital status.

1.5 Area of the Study

The study area is mainly confined to the Palakkad district in Kerala, which is one of the backward districts in the state with respect to literacy, high SC/ST population etc. The study period in case of analyzing the growth and changes in the industry in the state is done for the year's 1997- 2007.

1.6 Methodology

The methodology in the study covers the data sources, procedure of sampling, the sample frame and the data analysis

This study relies on both primary and secondary data for the purpose of analysis. Reports and publications of the various departments of the

Government of India and Kerala serve as the main source of secondary data. Reports of the Directorate of Economics and Statistics, Economic Reviews, various issues of Economic and Political Weekly, Annual Reports of the Department of Agro and Rural Industries, Annual Administration Reports of the Khadi and Village Industries Board, have been made use of for the study.

Research instrument used for the study is questionnaire. A schedule questionnaire was designed for collecting the primary data. Simple random sampling technique is used to select the respondents. The sample strength is of 300 Women workers engaged in the Khadi and Village Industries in the Palakkad district. The selection of the sample units was done after an extensive analysis of the district level data and discussions with the respective officials. The Khadi units engaged in both weaving and spinning have been selected for the study. One unit exclusively engaged only in spinning is selected with respect to the fact that the workers in this unit are blind. Village Industries coming under the Rural Employment Generation Programme are selected randomly, which is employing more than 15 women workers.

The Quality of Life Index was computed to understand the different levels - low, medium and high quality of living of the workers. The Chi Square test is used to analyse the relationship between education level and quality of life and marital status and quality of life of the sample respondents.

1.7 Plan of Work

The study is divided in to the following chapters.

1. Introduction
2. Review of Literature
3. Khadi and Village Industries in India
4. Khadi and Village Industries in Kerala
5. Socio economic conditions of women workers in Khadi and Village Industries
6. Summary of the study, major findings and conclusion

The first chapter provides an introduction to the Khadi and Village Industries. It includes the importance of the study, objectives of the study, methodology followed and the limitations of the study. The second chapter discusses the review of literature.

The third chapter explains the importance of Village and Small Industries in the Indian economy as well as the place of Khadi and Village Industries in the economic development. The physical performance of Khadi and Village Industries with respect to production, sales and employment is also analysed in this chapter. The fourth chapter explains about the Khadi and Village Industries in Kerala. The role of Khadi and Village Industries Boards as well as different types of Khadi and physical performance of Khadi sector along with the classification and performance of different Village Industries in the State is incorporated in this chapter. The profile of the selected units and the area of the study are done in the fifth chapter. This

chapter mainly focuses on the analysis of the primary data. The socio-economic particulars and the working and living conditions of women workers are analysed in this chapter. The last chapter provides the summary of the study with the major findings and conclusion.

1.8 Limitations of the Study

The present study is restricted in its scope and has certain limitations. Since there is no systematic maintenance of records, data collection was difficult and data is not available for the recent years for Khadi and in case of Village Industries information is not available prior to 2001.

The study is based on questionnaire and the responses from the employees could be casual in nature. The accuracy of information provided by the respondents in the personal data could not be established. Moreover, the study is confined only to one district of Kerala and a few selective industries, which come under the Khadi and Village Industries in the district.

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Chapter 2

Review of Literature

Individuals as well as several organizations have extensively researched issues related to socio economic conditions of women workers in Kerala. A number of committees appointed by the government of India and the Khadi and Village Industries Commission have also studied the different aspects of the KVI sector in the country. Though not exhaustive this chapter makes an attempt to review some of the important studies with particular focus on socio economic conditions of women workers in Khadi and Village Industries in Kerala.

Rao (1930) in his study presents a comprehensive survey of the common 'home' industries of the Coimbatore district which included hand spinning, handloom weaving, Khadi, sericulture, silk weaving, carpet making and metal industries.

Rao (1932) in his work on cottage industries studies the problems faced by the cottage industries of Malabar.

The Second Five Year Plan Committee (1955) on scarce raw materials considers that the major aim of small industry development in India should be to stimulate entrepreneurship amongst the middle and lower middle classes so as to bring into existence a new class of self-reliant and progressive entrepreneurs in large numbers. Further small manufacturing or

processing units located near the source of raw materials can utilize physical resources which otherwise might have been wasted.

The Second Five Year Plan framework (1955) has held that Small Scale Industries can help significantly in the equitable distribution of income and wealth as they could be easily decentralized and dispersed.

Dorothy Wilkinson (1957) in his paper explains that the very action of wheel gives a sense of calm and rhythm, qualities which seep down into the mind of the spinner and are incompatible with evil or troubled thought.

Deshmukh (1957) in his article on employment potential of cottage industries states that the special attention would have to be paid to small scale and cottage industries in the future bearing in mind the paucity of capital and abundance of manpower the country has and the industries in India should so far as possible be decentralized.

Gopinath Menon (1957) in his article explains about the importance of bamboo, etta and cottage match industry in the Kerala economy and the best potentialities of cottage industries as its penetration even into the poorest homes and its possibility for the absorption of idle young labour. He also states the tragedy of the industry due to the exploitation by middlemen or intermediaries or agents and gives few suggestions for the development of the industry.

Rangappa (1957) in his paper on small scale and cottage industries of Mysore examines the structure of the small scale and cottage industries in the Mysore state.

Mehta (1959) in his study explains about the execution of various programmes for the promotion of Khadi and other Village Industries. According to his study the Village Industries and the Khadi movement besides supplementing the income to our rural folk, consolidate the economic base at the village level, thereby paving the way for the prosperity of the entire country. The high place of village and cottage industries in the building of the new India is also explained. According to Mehta, the country's salvation lies in starting cottage industries in village homes throughout the country.

Hukkerikar (1960) in his paper explains the progress of Khadi and Village Industries and has found that the spinning and weaving of Khadi was undertaken by people who could not even earn a living wage and who had no other means of eking out of a bare subsistence. The study also explains the earlier development of these industries and the support the government gave during the initial years and analyses the threats and uncertainty faced by this industry and fall in importance given to this industry by the government during the later years. to the villages elsewhere in India.

Joachim Alwa (1960) in his study describes the aversion to Khadi weavers when Khadi was introduced and how it changed over a period of time.

Ikkanda Warriar ((1960) in his article explains the peculiar features of Ambar Charkha and the introduction of Ambar programme in Kerala. He describes the functioning of Ayyanthole Panchayat and Poonkunnam Khadi

and Village Industries Co-operative Societies and states that these two societies are a model for efficient and economic management.

Somanathan Nair (1962) in his study analyses the rural economy of Kerala and has found that the villages in Kerala are not similar to that in other states in India, showing that the holdings are unequally distributed. Again in agriculture, partial and full unemployment predominates, and unemployment reduces the per capita income of the agricultural population and the scope for agricultural expansion is limited. Therefore he concludes that the salvation of the rural sector lies in cottage industries, which can preferably make use of the available idle hours of the rural people and may help them reduce, at least, a part of their debts.

Nanjundan, Robinson and Eugene Stanley (1962) in their study has found that as Small Scale Industries encourage self-employment and wide spread ownership, it leads to a more equitable distribution of wealth.

Samuel (1963) in his article points out that the Co-operative movement in India's rural sector has been lacking both in intensity and direction, mainly because of the lack of education among the rural masses. He suggests a live educational programme for making the members of Co-operative societies fit for shouldering responsibilities.

Uma Maheswara Rao (1965) in his study explains the various definitions of small scale and village and cottage industries, and describes the differences among them. The study also explains the economic implications of Small Scale organizations and the problems faced by these organizations.

Rao, Khusro and Laxminarayan (1965) in their study analyses the working of the intensive area scheme of Khadi and Village Industries Commission, reviews the development activities of different Village Industries and attempts to locate industries with growth potentialities, and also look into the impact of village plans on the socio-economic condition of the population. An account of the working of the co-operative farms, co-operative credit and service societies, Industrial co-operatives, Labour and housing co-operatives located in the intensive areas is also done in the study.

Ramachandran (1968) in his article states that the programme of Khadi, cottage and Village Industries provides the solution for bettering the lot of hundred million people at the lowest level of existence. According to him there is no alternative to this programme, if we are determined not to allow these millions to go still further down. Khadi is not a mere name, it is an idea that gives a honorable work as well as a worthwhile income to the millions and also explains about the need to strengthen the Sarvodaya programme.

Patil (1968) in his article states that it is necessary to understand the essential and basic difference between Khadi and other Village Industries. According to the study Khadi is a programme for providing widespread employment while the other Village Industries are suitable for decentralized development. By this separation it will be easy to concentrate attention on the special preservation qualities of each sector and develop both differently for their respective ends. The article also points out that the employment provided by the KVI sector is largely supplementary and part time and no

individual could subsist on the meager wages provided by these industries, unless he has some other source of income as a principal occupation. Secondly, compared to total unemployment the quantum of employment provided by these industries is very small and thirdly, the overhead costs of providing this employment is disproportionately high, more particularly in the case of Khadi. Therefore he states that it is necessary that all the existing institutions engaged in the production of Khadi should come together and decide on the best possible ways of production which will satisfy the three objectives of Ashoka Mehta Committee Report ie., producing a saleable article, providing employment and building up a strong rural community spirit.

Somappa (1968) in his article highlights the importance of Khadi and Village Industries in a developing economy like India. He states that while large scale industries have a vital role to play in the economic development of India, the Khadi and Village Industries and other small rural based industries also deserve to be enlarged and strengthened in view of their capacity to provide gainful employment to a large number of people in rural areas who are otherwise wholly or partially unemployed and therefore undergoing lot of suffering.

Dhebar (1969) in his analysis has found that KVI constitute a link between the hoary past and the modern present; between the rich and poor and between the more advanced and the backward regions of India. He explains that the KVIC, is concerned with the re-orientation of this sector. It would like to gradually improve the implements and tools so as to enable the

artisans to produce more goods of better quality at lesser cost. But the Ashoka Mehta Committee is anxious to see that no large scale displacement takes place as a result of the introduction of new technology. The need for utilizing our human resources is paramount; subject to this fundamental consideration; there may not be any limit whatsoever to improvement of the techniques and practices for production of Khadi and Village Industries goods.

International Symposium on Industrial Development, UNIDO (1969) discusses studies and papers on a wide range of problems relating to industrialization. The economic problems of Small Scale Industries like availability of credit facilities, marketing, maintenance of quality and standards, social objectives of promoting Small Scale Industries and the economic objectives like dispersal of industry, diversification and utilization of resources were also discussed.

National Council of Applied Economic Research, NCAER (1970) in their study explains the gaining widespread acceptance and popularity of man-made fibres among all sections of population. The nature, consumption, growth, demand and expenditure on man-made fibres are also discussed. The Survey shows that households with higher incomes generally spend a higher fraction of their income on man-made fabrics. People prefer man-made fabrics for their easy wash facility and durability.

Oommen (1972) in his work explains the gradual transformation of the traditional sector and the establishment and growth of new modern types of Small Scale Industries. He discusses about the special features of Kerala

economy regarding the small scale sector and has found that the labour engaged in the small scale sector formed about 15 per cent of the working force in Kerala and 5.8 per cent of the total industrial workers in the small scale sector in India. The value added per person in the household sector (Rs.184) of Kerala was the lowest in India due to the poor technology and high degree of unemployment in many of the traditional industries in the state. The study also analyses the difficulties in transportation and marketing of the products in this group because of their bulk and due to the location of the state at the southern most part of India. Attempt has also been made to examine the extend to which the small industry development helps economic growth.

Report of the Rapid Socio-Economic Survey of New Model Charkha Spinners (1972- 73) by the Khadi and Village Industries Commission tries to ascertain the socio-economic conditions of the spinners who have taken to spinning on the New Model Charkha (NMC). The findings of the study reveals that amongst the earning members the female members accounted for more than 50%. In the states of Andhra Pradesh, Kerala, Maharashtra, Karnataka and Rajasthan all the spinners were females. For a substantial proportion of the rural families who have taken to spinning, income from NMC forms the major source of livelihood. Next to agricultural income, Khadi forms a major alternative to agricultural occupation on the one hand and contributes in a substantial way in raising the family income. The study suggests that since this programme has the potential of providing new avenues of employment for rural unemployed and underemployed on a large scale the centres need to be multiplied at a rapid rate so that the benefits of

the programme could be extended to a large extend of rural population as possible.

Arunachalam (1974) in his work has discussed and described the various schemes, plans and efforts made by the charkha sangh , the sarva seva sangh as well as by the KVIC and some of the Khadi institutions. He has also commented on the basic idea of Khadi and has explained the Gandhian approach towards the Khadi and Village Industries and the role of Khadi in economic development. The study also analyses the impact of five year plans on Khadi and Village Industries and states that the successive five year plans have only confirmed the need for development of Khadi and Village Industries as an instrument for economic development in general and rural economy in particular. He also explains the content of Khadi economics and also analyses what is and what should be a Khadi institution and explains the differences of Khadi institutions from other forms of trading.

Report of the science and technology panel for Khadi and Village Industries – NCST, National Committee on Science and Technology (1975) explains in brief the general setting of the research and technological efforts in Khadi and Village Industries since the country embarked upon a planned effort for the development of Khadi and Village Industries. It also presents the approach towards introduction of technology and the direction of research, the efforts and the results obtained due to adoption of improved technology and the difficulties encountered by the programme and the outcome. The basic objective here is to highlight the importance of adoption

of improved technology in Khadi and Village Industries. The report also presents industry-wise profiles along with research and development projects proposed in the fifth five year plan.

Vadilal Dagli (1976) in his study has found that the Khadi and Village Industries are an important segment of the non-factory unorganized sector in the Indian economy. The study also finds that for every one person employed in the organized large scale factories, there are at least two persons employed in the unorganized small and Village Industry units and thereby explains the importance of Village Industries in a capital scarce economy like india. It also explains the credible part played by the KVI commission in promoting improved technology in Khadi and Village Industries. The author also states that Village Industries are not only an important avenue for employment but also an effective instrument for modernizing agriculture. Once the uncertainty in the supply and pricing of raw materials is removed the strength of the village artisans would be increased several fold.

Paliwal (1977) in his work explains the difference between a cottage or a Village Industry and a Small Scale Industry. The cottage and Village Industries are based on traditional skills and practically require no modern machinery. The Small Scale Industry, as compared to them is quite big and it works with modern machines and electricity. However, there is no hard and fast rule for this. It is a matter of convenience only. The Small Scale Industry does not include the handloom, handicrafts, coir, silk and Khadi and Village Industries which come under various boards. The study also explains the

manifold assistance, which can be available to the various industries if they get in touch with the concerned agency or department.

Rajan (1980) in his article states that the major problem confronting Kerala are poverty and unemployment. The unemployment rate in the state is perhaps the highest in India. He suggests that while devising a strategy for additional employment we must necessarily take into account the fact that the role of the primary sector is fast shrinking on account of very high density of population and equally low land-man ratio in the state. This leads to the conclusion that the only answer to the stupendous task of substantial employment generation is to suitably gear up the industrial sector. Since, the large scale industries require investments of a very high order, the salvation for Kerala is to promote thousands of small scale and cottage industries spread over the length and breadth of the state. There is immense scope for organizing such industries in Kerala. The traditional industries like coir, handloom, cashew, handicrafts, beedi etc, provide employment for about ten lakh workers in Kerala. The contribution from the industrial sector to the economy of the state is mainly from the traditional industries sector.

Radha Devi (1981) studied the extend of female participation in economic activity in the state and the occupational pattern among them. She found that women in Kerala are primarily engaged in semi skilled vocations and level of education among working women is much higher than the rest.

KVIC Annual Report (1980 -81) brings out the significance of the year 1980-81, for the development of Khadi and Village Industries. The sixth plan (1980-85), stepped up the allocations for the development of Khadi and

Village Industries and recognized its importance in employment generation programme. Despite persistent problems of shortage of raw material and infrastructural inputs the Khadi and Village Industries Commission's developmental efforts during the year resulted in achieving an increase of 27% of output of Khadi and Village Industries as compared to the previous year. The overall sales registered an increase of 32% and the level of employment opportunities provided also looked up at 30.16 lakhs as compared to 27.33 lakhs in the earlier year. The earnings of the artisans improved by 26%. In institutional finance, the significant development was that the KVI sector was accorded the "priority sector" status.

Vasant Desai (1983) in his study tries to analyse the external and internal problems of the Small Scale Industries in india.

National Productivity Council (1985) in their study explains about the informal or decentralized sector in the country. The study is an attempt to analyse and focus on the achievements vis-à-vis problems of the three segments of this sector – handlooms, handicrafts, and Khadi and Village Industries. The scope of these industries in providing gainful employment and bringing about growth in income and purchasing power of people in the low income category and utilizing the locally available resources and human skills with very little mechanization, the importance of women and children in the informal sector, the problems and aspirations of women and children etc has also been considered. A close look at the numerical data reveals the fact that the activities like Khadi spinning, palmgur making, fibre, pottery making, collection of gums and resins have been some of the major activities

employing large number of women and having greater potentialities to absorb women folk.

Bloom and Freeman (1986) in their study have found that in the most high fertility populations (particularly developing countries), female labour force participation rates are low as child bearing and rearing makes it impossible for them to enter the labour force. Lowering of fertility could make them available for entry in to economic activity and thereby raise the participation rate in the workforce. But in Kerala lowering of fertility has gone hand-in-hand with increasing of age at marriage, improved literacy, rise in use of contraceptives, appropriate spacing between births and greater expectancy of life. This has in turn meant an overall impact on the female life cycle. These changes have appeared to have matched by a willingness or desire to enter the labour activity. Although this has not been reflected in increased participation rates, a study of unemployment rates would provide an indication of the changing perceptions of labour force entry. All sources of unemployment estimates indicate increases regardless of sex. The estimated percentage of unemployed according to the NSS points to increased pressure from unemployed females in Kerala as compared to males and women elsewhere in the country.

Mishra and Sharma (1986) in their paper explain about rural industrialization, the role of rural industries in the Indian economy and the problems of rural industries in the country.

Tara Nand Singh and Devendra Thakur (1986) in their study explain the importance of cottage and Small Scale Industries to eradicate the poverty

of the masses in an economy like India. According to the study since agriculture keeps the people engaged for a term of five months in a year, the remaining period they remain unemployed with poor income and miserable standard of living. The best way therefore, is to develop cottage and Small Scale Industries, which can be immediately started with a small amount of capital. Even in highly industrialized countries like the U.S.A, U.K, Germany and Japan, cottage and small industries occupy a very important place. The most important reason for which cottage and Small Scale Industries should be revived and developed on a wide scale is that these industries create more opportunities of employment than large-scale industries.

Shobha (1987) in her article tries to find out the factors responsible for low industrial development of Kerala state and has found that it is the insufficiency of raw materials which is the major factor inhibiting the industrial development of the state.

Chaurasia (1988) in his work on agro-industrial development analyses the basic general principles responsible for the location and development of industries in backward region. The study area chosen is Bundelkhad, the Jhansi division and tries to find out the application of those principles to the problems of this division with a view to attain more wealth and prosperity. He also looks into the existing industrial framework of the region, the factors and forces responsible for the present industrial structure, the socio-economic basis and the agrarian foundation of the region leading to its

industrial development and also diagnose the main problems responsible for the socio-economic backwardness of the division.

Raghunathan (1988) in his study have found that over ten lakh Small Scale Units are registered with Small Industrial Development Organisation (SIDO), established in practically every part of the country.

Boserup, Psacharopoulos and Tzannatos (1989) in their study have shown that in the course of development, the initial stages (agrarian societies) are marked by an increased demand for female labour. With the onset of industrialization, female labour utilization wanes and the demand for male skilled labour are high. It is only with the expansion of the tertiary sector that the demand for the 'reserve' army of labour comprising largely of female labour would be renewed. This to an extent has proved to be the case of Kerala. Women are being systematically displaced from their traditional avenues of employment, especially agriculture and household industry. Any reversal in these trends would be affected only if service sector expands beyond the limitation of its present growth.

Department of Industrial Development (1989-90) in their report looks into the growth of village and cottage industries including Khadi and coir industry. It also looks into the work of KVIC, a unique organisation that has its roots in villages and activities cover more than 2.1 lakh villages in the country. The Report finds that the overall production in KVI sector during the year 1988-89 showed an increase of 12.79%, and the employment level also increased to 42.87 lakh persons while earnings of artisans increased by 16.6%. The report also found that the per capita productivity as well as per

capita earning has increased in the KVI sector. The per capita productivity rose by 4.2% in Khadi and by 9.8% in village industry. The per capita earnings increased by 5% and VI witnessed an increase by 15.8%. KVIC is one of the important agencies to provide benefits to the weaker sections namely, SC/ST and women. The commission has been making sustained effort to encompass a larger number of members from the socially weaker sections of the society. In the total employment of 42.87 lakh persons the share of SC/ST was 12.80 lakh and that of women was 19.72 lakhs.

The Hindustan Times (1990) reports that according to the Ministry of Industries as on May 1, 1990, there are 1.7 million SSI units in the country which accounted for 45% of the total industrial output and more than 30% of the total exports of the country.

Hari Kumar (1991) in his study attempts to identify the major factors inhibiting the industrial development of Kerala. The industrial base of Kerala consists of a set of inter-related agro based and non-metal chemical based industries. He finds that the major reasons for the industrial backwardness of the state is the high wage rate, labour militancy, lack of adequate capital formation and insufficiency of raw materials.

Vedachalam (1991) in his work deals with the industrial sickness of small-scale units in Andhra Pradesh. On the basis of in-depth case studies the author highlights the causes of sickness of Small Scale Units and gives his suggestions for overcoming them.

Thomas Issac, Van Stuijvenberg and Nair (1992) in their paper reviews the socio-political, economic and technological factors that effect trends in the coir industry in Kerala.

Mohanakumar (1992) in his study attempts to do an inter-state comparison of industrial disputes and also looks into the conditions of workers in the modern industrial sector and in the traditional industries and have found that on the basis of the trend observed in industrial dispute frequency and percentage of man days lost from disputes in various states, the propaganda against the labour in Kerala has been more politically motivated than based on facts and the number of industrial disputes is declining in Kerala year after year. It was below the all India average in 1985. For the study the author divides the period from 1966 to 1985 in to two phases i.e., 1966-74 as a high strike prone phase and 1977-85 as a low strike prone phase. The case against the labour force in Kerala thus appears to be completely unsubstantial. Other explanations would clearly have to be found to explain the relatively low level of industrial development in the state.

Vijayagopalan (1993) in his paper studies about the handicrafts sector, which is not only significant in its capacity to earn foreign exchange but is also important as a provider of employment to nearly four million artisans spread mainly in rural and semi-urban areas of the country, who are among the weaker sections of the society. He studies about the various socio-economic factors like the size of the family, education, skills of workers, assets and liabilities, working environment, productivity, wages, aspirations

of the artisans etc. and, brings out the fact that the artisans are above the poverty line in their standards of living, but there does not appear to have been any radical transformation in their economic status over the last decade.

Rachel Kumar (1994) in his article looks in to the pattern of falling female workforce participation rates in Kerala and examines various demographic, social and economic factors which have contributed to the above trends. He finds that the unprecedented increase in the female population in Kerala has not only depressed workforce participation rates, but also created a formidable strength of 'potential' job seekers. It was also seen that there has been an increasing willingness on the part of women to enter the work force as a result of the benefits that have accrued to them through social development. However, the entry of this segment into active participation was thwarted by the nature of the economic structure, which has reduced the demand for female labour.

Kannan and Raghavan (1994) in their report of Task Force on the Traditional Industries finds that Kerala, unlike any other state in India has had the highest proportion of women in manufacturing. This is because women have historically dominated particular kinds of industries notably – coir, cashew, beedi and handloom. In recent years each of these industries have been experiencing problems of productivity, closure and lack of product demand leading to the laying off of thousands of workers.

Sen and Ambannavar (1994) in their study have found that the redistribution of population as a result of changing fertility and mortality has affected not only the structure of labour force, but also the estimates of

workforce participation derived from the number of people in the workforce and a shift in the age structure of the population towards the younger ages (less than Fifteen years) would have the natural tendency to reduce the crude participation rate.

International Conference on Population and Development (1994) reiterated the importance of economic activity among women, towards aiming the goal of gender equality and women empowerment. The conference noted that, the empowerment of women is anchored to their economic status in the society.

Kumar (1994), examines the different dimensions of women's work in Kerala and points out the nature of the economic structure in the state, which has shown reduced demand for female labour, and losses in the primary and secondary sector has not been offset by the service sector.

Veena Bhatnagar (1995) in her study explains the various definitions of Small Scale Industries in general and in the Indian context in particular.

RBI findings (1995) on the flow of institutional credit to KVI sector reviews the flow of institutional credit to the KVI sector. The report explains the special features of Khadi financing and recommends few measures which would help the Khadi institutions in raising adequate working capital. In view of the fact that the KVI sector plays an important role in creating employment opportunities in rural areas, the committee is of the view that all KVI advances irrespective of their size of operations and location be covered under the priority sector advances and also under the sub-target (40%) of SSI segment within the priority sector. By inclusion of the KVI sector in the

priority sector, it is hoped that credit requirements of the KVI sector would be met adequately. The report finds that the lack of familiarity of the personnel of KVICs/KVI institutions with various banking norms and procedures is found to be one of the factors adversely affecting the flow of bank credit to the KVI sector and so the committee therefore suggests that there is a need for suitable orientation of the staff of these institutions to acquaint them with the various banking requirements and so a small committee may be constituted by GOI/RBI to look into the various aspects related to the training and orientation as also the finding and institutional arrangement for providing training.

Gopalan (1995) states that making women more productive, hence more effective income earner, will reduce their dependency and enhance their status, besides reducing fertility and slow sown population growth, improve child health and nutrition status, bestows greater decision making power on the women both inside as well as outside the household and increase aggregate labour productivity and ensure speedy growth in key economic sectors.

Sivaprakasam (1996) in his study states that the only one answer to arrest the migration from rural areas to urban areas lies in the development of Khadi and Village Industries and such other productive activities which are earned on the principle of production by the masses. He points out that the share of agriculture and allied products in annual exports declined from about 18% to 16% from 1991-92 to 1995-96. At the same time, manufacturers increased their share by almost 3% over the same period.

Within this rise in the share of manufacturers, two things stand out. India's traditionally manufactured exports retain their dominant position, but their share is not increasing. The present urban based export oriented approach of the new economic policy would widen the gap between the rich and the poor so the mass consumption goods must be produced by masses themselves. Then only the problem of poverty and unemployment of rural masses would be solved.

Muniandi (1996) in his paper analyses the giant strides made by Khadi in the technological field. He tries to find out where does Khadi stand now from Gandhi's point of view and tries to see in proper perspective the role Khadi is expected to play in the 21st century not as a mere piece of cloth but as a way of life.

Pathak (1996) in his study stresses on the relevance of KVI in the present day economy with particular reference to our new economic ocean of liberalization with globalization.

Ved Prakash Arya (1996) in his paper finds that employment generation and poverty alleviation are the two main causes for which the KVI sector is committed and they continue to have their hold even in the fast changing socio economic and political scenario.

Ravindran (1997) in his study explains the importance of Village Industries as rural non-farm activity is to be seen as against the backdrop of the colossal problem of unemployment and diminishing employment opportunities in the farm sector. An analysis of the Indian economic scenario amply proves that neither agriculture alone can sustain a large economy like

India nor can go for large scale industrialization due to capital scarcity. Apparently, this situation points towards the necessity of decentralized economic activities, giving focus on non-farm sector. Obviously the cottage and Village Industries segment is a natural choice before India. The paper pictures the resource base of KVIC and illustrates that it is much narrow and meager when compared to the same of SIDBI and NABARD. KVIC is placed at a much disadvantageous position as far as resource availability for relending to non-farm sector is concerned. KVIC can successfully deliver the goods only if its sources of finance are enlarged. At the same time, an internal revamping is also equally necessary by modifying KVIC's loan rules. The Author also suggests that it would be also necessary to entrust the task of financing individual entrepreneurs to well established directly aided institutions with necessary modifications in loan rules etc, altogether would ultimately lead not only to expand KVICs coverage but also to plan its leading role in the development of the rural non-farm sector.

Kumar (1997) in his paper points out the relevance of the KVI in the modern times and explains the far reaching issues it has concerning the state of the economy in India and other countries as well.

Ramanarao (1997) in his study tries to explain what Khadi is and how it is relevant to the present day Indian life.

Sahaya (1997) in his study states that the Indian rural economy has got a good development potential. If proper plans from grass-root are launched our idle manpower could be converted to productive resource. In this context, the development of the KVI sector and linking it up with our

rural economy assumes great significance. The KVI sector makes intensive efforts to secure integrated rural development and maximum utilization of available resources to achieve self sufficiency. It has economic as well as sociological values. It is in India's life and is a part of it. The development of the KVI should be taken up with renewed vigour and energy as this sector would pave way for reordering economic life in accordance with the concept of social justice and social ownership.

Raghava Rao (1998) in his article on development of KVI and Panchayat Raj Institutions argues that there is a need to explore how best the Panchayat Raj Institutions (PRIs) could be associated with the task of promoting KVI sector and also to what extent and in which area it has to be associated. He states that in the light of the need for coverage over more and more villages to tackle the problems of poverty and unemployment, the problems of organizing the effort through creations of more voluntary organisations due to non-availability of leadership, KVICs intent to work and the modalities of association of PRIs in its efforts to develop KVI sector would be a step in the right direction, provided the proposed association is pragmatic in approach.

Seerangarajan (1998) in his article highlights the financial factors responsible for the efficient functioning of KVI institutions. The author argues that institutions can improve their financial health by reviewing their inventory policy in respect of how much and when to buy for reduction of raw material cycle.

Seerangarajan (1998) in his study tries to explain about the importance of KVI in the economy and the several factors inhibiting the development of the growth sector. He states that Khadi is at present preferred for its purity, individuality, eco-friendliness and comfortableness in cold and hot climates. Only if standardization and quality maintenance could be achieved this fabric can certainly scale veritable heights. He concludes by stating that Khadi has gone through many stages of modernization and technological innovations is a continuous process in which development of Khadi will take leaps and bounds.

Shivaji Sarkar (1998) in his article suggests that KVIC has to come out of its role of disbursing loans and limiting itself to market a few products. It has to increase its base and function to organize the rural masses. The aim should be to create a consumer movement in favour of eco-friendly and cost effective products.

Uzramma and Shambu Prasad (1998) in their article states that innovating technologies and structures within and outside the Khadi establishments holds the key to the greater dissemination and spread of Khadi and Village Industries. Khadi in modern context has become a narrow definition of raw products made only at the Khadi institutions and sold only through some certified outlets. For a new direction of Khadi, they suggest to take up some specific research and policy interventions with which the Khadi establishment can work towards a new vision for peoples industries in the years to come.

Lalit Raizada (1998) in his study finds that Khadi notwithstanding the onslaught of sophisticated textiles has made its own niche in the hearts of public, the young and the old alike. It has a bright future in times to come purely because of its inherent advantages like employment generation.

Banerjee (1998) in his article states that the KVI products should take off and establish their mark in the international market, since these are the only products, known as on today, to be eco-friendly which utilize natural local resources, involve less investment and provide meaningful living wage to the poor masses. Nowhere else one finds a good bargain. Therefore it should be in the fitness of things to remove all the hurdles that are coming in the way of their development and see that these products reach everywhere, catering to everyone's tastes and fancies.

Lakshmi Narasaiah and Deevena Margaret (1999) in their study explain the policies, programmes and performance of Small Scale Industries in India. They also discuss about the development of Small Scale Industries during various plan periods. The study conducted in Anantapur district, throws much light on the problems and prospects of small-scale industrial units at the district level. The analysis of employment and capital in sample units reveals that there is positive relationship between capital and employment.

SIDBI Report on Small Scale Industries sector (1999) provides with a comprehensive insight into the SSI sector of the country. The publication contains national level and state level data on different facets of SSI sector, policy initiatives and their impact, institutional support and the role of SIDBI.

The status of credit dispensation and the impact of the recommendations given by various committees regarding the availability of credit to SSI sector are also covered in the report.

Laxmi Narasaiah and Thandava Krishna (1999) in their study discusses about the significance of handloom industry in rural economy and the present plight of the industry in Prakasam district of Andhra Pradesh. They also discuss about the position and development of handloom industry during five year plans, organizational pattern and the socio-economic profile of the handloom weavers, employment and income generation and indebtedness of weavers and the problems and prospects of the handloom industry and have found that the socio-economic life of the weavers are deplorable and majority of weavers are not financially sound because of the inadequate earnings from their profession and their levels of living are on the decline.

Azagudasan (2000) in his article states that silk has a fascination of its own and continues its status among fabrics through the ages. He describes about the different stages of the production of Khadi silk and states that each rupee spent for production of silk cloth is spent fully as wages paid to the artisans engaged and raw materials used in this industry has a specific humane and patriotic aspect that should reign supreme above all else, especially in a welfare state.

Shivaji Sarkar (2000) in his article explains the growth of the IT sector recent years and the less employment generated by the Khadi sector. According to his opinion the Khadi sector has to come out of the traditional

mode to usher in a revolution that IT sector has envisaged, reaching the remotest corner to unite the world not through the web – but through the independent economic status of the poor workers.

Yuvesh Chandra (2000) in his article states that even though modern technology has resulted in ending drudgery and has helped in the mass production of quality products, its major failure has been the replacement of men by machines. Moreover every advancement of technology needs huge capital. In the Indian Scenario, having shortage of capital and vast unemployment, the KVI sector is capable of playing a significant role in generating large scale employment and also diversifying and strengthening the rural economy. This will indirectly help urban areas by discouraging mass migration from villages to cities in search of gainful employment.

Krishna Murthy (2000) in his article points out that Khadi and Village Industries is the only potent sector to take up the responsibility of employing masses in viable activities. He states that any plan drawn up for the development of India should aim at the development of agriculture and agro industries like Khadi and Village Industries.

Nagayya (2000) in his article states that Khadi and Village Industries should act as the lead organization of the sector, and should provide guidelines to all organizations associated with the Khadi and Village Industries sector. He also states that various aggressive marketing strategies need to be evolved for Khadi and Village Industries to cope up with the demands in this liberalized context. The export prospects for Khadi and

Village Industries products are also to be tapped properly in a phased manner.

Catherine Argiropoulos and Indu Rajagopal (2003) in their article looks in to the problem of poverty among women in Canada and India and finds that, while in Canada women deal with absolute poverty, the women in India encounter human poverty which is deprivation in basic development caused by factors like illiteracy, malnutrition, poor health care etc.

Jeromi (2003) analyses the performance of major sectors of the Kerala economy. His paper also highlights the lack of a development strategy in Kerala for growth and employment generation.

Pradeep Kumar Panda (2003) in his paper attempts to explore the inter linkages between marital status, economic conditions and the employment of women in Kerala in a macro context.

Mahapatra (2003) observes that women's economic productivity is a critical factor, as the dependence of the family on their contribution to household resources increases with the poverty status of the household.

Balasubrahmanya (2004) studies the impact of globalization and domestic economic reforms on small industry. These policies have thrown open new opportunities and markets for the small industries which is suffering in terms of growth of units, employment, output and exports. To avail the new opportunities focus has to be turned to technological development and strengthening of financial infrastructure in order to make Indian small industry internationally competitive and contribute to national income and employment.

Peter Lanjouw and Abusaleh Shariff (2004) in their paper attempts to access the contribution of the non-farm sector to household income across population quintiles. This analysis shows that non-farm incomes account for a significant proportion of household income in rural India. Education, wealth, caste, village level, agricultural conditions, population densities and other regional factors influence access to non farm occupations.

Mahendra Dev (2004) in his paper examines some important indicators relating to rural India in the Pre and Post liberalization periods and finds that rural India is not 'Shining'. He states that to make rural development more broad based and balanced, investment, technology and appropriate institutions are needed. He also recommends policy attention in ten key areas of employment, public investment, agriculture, water management, rural non farm sector, health and education, reduction in personal regional and gender inequalities and decentralization and governance. According to Dev, India cannot 'Shine' with out the 'Shining' of rural India

Uma Rani and Jeemol Unni (2004) analyses the potential for employment generating growth and the impact of economic reforms on the organized and unorganized manufacturing sectors. This analysis indicates that economic reform policies had a differential impact on various industry groups.

Gurushri Swami (2004) in his paper analyses if trade have benefited female workers in developing countries. He states that evidence from a number of countries shows that export growth has created wage employment

for women in large numbers. This has helped in improving the income, quality of life and status of women.

Dipankar Gupta (2005) in his article explains the profound changes that are happening in the Indian villages. He finds that the Indian villages experience falling rates of growth in agriculture, increasing migration of people from villages to towns and the increasing non-farm employment. It is estimated that about 24% of villagers are engaged in non-agricultural occupations. He states that rarely a villager today want to be a farmer if given an opportunity elsewhere.

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Chapter 3

Khadi and Village Industries in India

3.1 Introduction

The idea of reviving of traditional industries generates from the significant role they are playing in promoting employment, particularly to the poor (Prabin Baishya., 1989). The villager lives a lifeless life. Their life is a process of slow starvation. Extinction of village/traditional industries would complete the ruin of the 70,000 villages in India (Gandhi.,M.K.,1959). The traditional ideology about the role of small and cottage industries in our country is generally propagated by what Professor Myrdal calls unreconstructed Gandhists (Myrdal Gunner., 1968).

Village Industries predominantly in the form of traditional crafts have engaged a part of the rural population for centuries. They form a part of the rural occupational structure and their decline leads to the dislocation of a sizeable number of workers (Papola,T.S and Ashok Mitra, 1982).

The term industry generally covers any productive activity, involving collection, processing, manufacturing, repairing, addition or alteration, servicing etc. According to the Section 2 (J) of the Industrial Disputes Act 1947, the term industry means any business, trade, undertaking, manufacture, service, employment, handicraft or industrial occupation or a vocation of a workman. The village and small scale industries come under

the category of rural industrialization. Rural industrialization is important not only as a means of creating employment for the labour force and raising the real income of the nation but also it contributes to the development of agriculture. The development of rural industries also creates opportunities for women domestically and changes the pattern of leisure and work (Vasant Desai., 1993).

Definitions of Village and Small Industries have changed over the years. It is relevant to look at the small-scale sector as distinct from the Village Industry sector. So far no acceptable definitions of small-scale industry, village/traditional industries, tiny industries and artisan activity have been available. For the purpose of distinguishing Small Scale Industry from Village/Traditional Industries, different countries use different parameters such as number of persons employed, type of activities, use of energy, capital employment etc.

The characteristics that are common to the traditional and rural industries is that they use simple tools, skilled and unskilled labour, simple methods of management, irregular employment, segregation of occupation as female and male, wage differences etc. For development purposes the entire field of VSI has been broadly grouped under six different areas. Village and Small Industry sector has been divided into these different sub sectors for administering assistance programmes and specialised institutions have been created to look after each of the sub sectors at the national level. Categorisation of VSI sector based on the national level organisation, implementing the assistance programmes is given below.

Industry	Implementing Agency
Handloom Industry	The All India Handloom Board
Handicrafts Industry	The All India Handicrafts Board
Coir Industry	The Central Coir Board
Silk Industry	The Central Silk Board
Khadi and Village Industries	Khadi and Village Industries Commission (KVIC) at the centre and Khadi and Village Industries Boards (KVIBs) in the States.
Small Scale Industries	Small Scale Development Organisation (SIDO) with development commissioner (Small Scale Industries)-DC(SSI) as the headquarters organisation.
Powerlooms	Textile Commissioner

3.2 Importance of Village and Small Industries sector in the Indian Economy

Indian economy is featured with large scale unemployment and poverty. Village and Small Scale Industries play an important role in the country by providing employment opportunities in rural areas with less amount of capital. Other factors, which weigh in favour of this sector, are its capacity to attract small savings to productive channels, short gestation

period, and its adaptability to rural and semi urban environment where infrastructure may not be fully developed.

The village and small industries sector has been recognized as an effective tool for providing gainful self-employment opportunities. These industries are also considered an important instrument for promoting rapid industrial growth by providing greater employment opportunities in particular to women and weaker sections of society and for bringing about a reduction in regional disparities and removal of economic backwardness of the rural and undeveloped area of the country (Vadilal Dagli., 1976).

The importance of village and small industries sector in the economy is evident from the fact that, this sector provides employment opportunities to about 23.6 million persons (both part time and full time) as against 4.5 million persons in the large and medium sector. In the sphere of exports, this sector accounted for about 45% of the total exports of manufactured goods from the country. (Planning Commission, 1984).

The promotion of Village and Small Industries continues to be an important element in the national development strategy, particularly due to its lower capital output ratio and higher employment intensity.

3.3 Place of Khadi and Village Industries in the Economic Development

“Economic Development is a process whereby an economy’s real national income increases over a long period of time. And if the rate of development is greater than the rate of population growth, then per capita real income will increase. ‘Process’ implies the operation of certain forces;

these forces operate over the long period, and embody changes in certain variables. Details of this process vary under diverse conditions in space and time. But there are some basic common features. And the general result of the process is growth in an economy's national product" (Meir and Baldwin)

Economic development in a country like India, facing the vicious circle of poverty is a long term process. A country does not develop because it is poor and it is poor because it does not develop. This is the vicious circle of poverty, which prevents an economy to reach the take off stage. To remove poverty, the purchasing power of the poor masses will have to be increased first to enable them to fulfill their basic needs. The question of removal of poverty could therefore be identified with the question of providing employment to the underemployed and unemployed. Agriculture is the main source of livelihood for most of the people, and this sector is featured with chronic unemployment and underemployment. It is necessary that avenues of employment in the non-farming occupations have to be provided to tackle this problem. Khadi and Village Industries with its intermediate technology answer this need very well. (Arunachalam.K, 1974). The Khadi and Village Industries fulfill the social objective of providing employment to millions and ensure economic development, and help removal of the main obstacle to growth – the vicious circle of poverty.

Khadi and Village Industries produce goods, which are articles of daily necessity like cloth, oil, gur, leather goods etc. Khadi and Village Industry help in the conversion of waste in to wealth. Gobar gas industry, hand made paper industry, non-edible oil, industry, soap industry are

classical examples of production of wealth from waste. Thus Khadi and Village Industries with its intermediate technology and emphasis on viability can fulfill the social objective of creating employment to millions and at the same time fulfilling the economic objective of producing saleable goods of daily use on a decentralised basis.

The role of Khadi and Village Industries in the Indian economy can be explained in the two different periods: before independence and after independence.

3.3.1 Pre Independence Period

The western impact, both political and economic, changed the picture of the Indian economy radically. The traditional industries of the country were discouraged and imported goods like textiles from Manchester and the manufactured goods became the hall mark of modernization. The Indian people were gradually reduced to growing raw material for the looms and factories of the colonial powers. Millions of Indian artisans lost their earnings. The manufacturers of silk and cotton that were the pride of the traditional artisans recorded a sharp fall.

The death of so many traditional industries affected the demographic equilibrium of the Indian population. The number of dependents on agriculture began to grow from 60% of the total population at the turn of 18th century to 75% in 1931. Hundreds of thousands of people who once earned their livelihood from cottage industries were now forced to turn to over crowded sector of agriculture to eke out a meager living. After the First World War, some industrial development took place in the country

and that also at the expense of an organized sector of the cottage industry. Large scale industry, however, could not absorb the labour that had been displaced in the cottage industry sector. This led to unemployment in the country and rural poverty was intensified.

It was at this time that, Mahatma Gandhi, the undisputed leader of the freedom struggle, realized that the decline of traditional crafts had impoverished the nation. He propagated the idea of village revival based on Khadi, which included other traditional Village Industries as well. Khadi, to Gandhiji, was not merely a piece of cloth, but the emblem of a whole programme of rejuvenation of the villages. It was the sun of the rural industrial solar system.

Origins are often obscure but in the case of “Khadi”, it is possible to trace back its recent history to the eulogistic reference to ‘ancient and sacred handlooms’ made by Mahatma Gandhi in his Hind Swaraj or Indian Home Rule (Hind Swaraj, 1948). In his conversations with earnest Indians in London in 1908, Gandhiji had, however seen “as in a flash that without the spinning wheel there was no Swaraj” and that “every one had to spin”. Immediately after his return to India in 1915, he discovered that “the center of swadeshi lay in Khadi” and that without Khadi there was no swadeshi (Harijan, June, 1946). Swadeshi was defined by him as “that spirit in us which restricts us to the use and service of our immediate surroundings to the exclusion of the more remote”.

3.3.1.1 Khadi and Freedom Movement

It was at the time of the Nagpur session (1920) that the Indian National Congress decided to encourage "Khadi". The first Khadi Production Center was established at Katiawad, Gujarat. Mahatma Gandhi used to refer to Khadi as "The livery of freedom".

It was in 1920, that for the first time the Indian National Congress at its special session adopted hand spinning and the weaving of Khadi as "measures of discipline and self sacrifice for every man, woman and children" (Nanda.G.L, 1950). In fact, Khadi was introduced in 1920 as a political weapon and as the best instrument for giving concrete expression to the Swadeshi Spirit to boycott foreign goods. Khadi rendered an opportunity to every man, woman and child to cultivate self-discipline and self-sacrifice as a part of the non-cooperation movement.

In 1921 at Bezwada, the All India Congress Committee called upon the people to get ready 20 lakhs of working charkas. This was the beginning of large scale work for activating and introducing spinning wheels and by 1922, an All India Khadi Department was created by the All India Congress Committee for supervising the work being carried on by provincial and subordinate congress committees. This department was replaced in 1923 by the All India Khadi Board which in turn, was replaced by The All India Spinners Association (A.I.S.A), in 1925. Within about 10 years, i.e., by 1934, the production of Khadi at the centers connected with A.I.S.A, had gone up to 10 million square yards valued at about Rs.34 lakhs. There was 567 sales depots of which 288 belonged to the A.I.S.A., 38 were aided by the organization and 241 were running independently. The sales

during the year amounted to Rs.47 lakhs. The activities of the Association covered nearly 6,000 villages. The emphasis on viability of the production centers is evident from the fact that in 1935, the council of A.I.S.A., adopted the general policy of running only those centers which could be conducted on a self supporting basis (Nanda.G.I, 1950).

Mahatma Gandhi considered the spinning wheel not only as the key to swaraj, but also a means of mass education, a link between the masses and classes, a symbol of the dignity of manual labour, a means for securing more even distribution of the means of living, a check on drain of wealth to foreign countries, an occupational therapy for psychic illness afflicting the west, an emblem of non-violence, a force for international peace and an instrument for village reconstruction. He deployed it both for promoting the spirit of swadeshi and carrying out the boycott of foreign cloth, describing these two uses as benign and terrible aspects of the spinning wheel (Gandhi, M.K, 1955), (Krishnadas Jadu, 1955). Mahatma Gandhi's approach to Khadi was not in terms of cost and price analysis or market competitiveness; Khadi was the only available means for accomplishing a worthwhile end, viz., to provide work and adequate wages to millions in rural areas. He attached the highest importance to the full utilization of human resources of the country.

About Village Industries, Gandhiji's approach was similar to that for Khadi except that he treated Khadi as the "Sun of the Whole industrial solar system". All the other industries were to receive warmth and sustenance from the Khadi industry. At the same time, without the revival of other industries, Khadi could not make further progress. "For villagers to be able

to occupy their spare time profitably, the village life must be touched at all points” (Harijan, 1938).

The formation of the All India Village Industries Association in 1934, marked the formal recognition of the importance attached to the development of Village Industries. The association was to strive to revive and encourage as many industries as were necessary for the moral and material growth of village life

The Khadi and Village Industries movement emphasized the social objective of providing employment to the people rather than the economic objective of producing and sale of goods. The cardinal point in the above approach was to build up self reliance among the rural people. To achieve this wider objective he had emphasized the need for (i) self sufficiency, (ii) decentralization of production and consumption, (iii) close personal contact with artisans, (iv) production of Khadi without any subsidies from Government and its sale in local market and to the people in villages, (v) Government assistance to be confined to education, technical research and technical guidance, and cultivation of cotton to reduce dependent on the supply of raw materials from outside areas. (Sarvodaya Prachuralaya, Thanjavur, 1964).

The aspiration of clothing the entire population of the country with Khadi was a part of Mahatma Gandhi’s approach and for this, he wanted all the villagers, young and old, to spin for one hour. He did not extend this principle of self reliance to all articles and did not rule out use of machinery

for producing power fans, paper, etc. Khadi was on a different footing from the rest. (The Eastern Economist, 1946).

The first move to make Khadi a Governmental programme was made in 1946 by the Government of Madras, which deputed a senior officer to obtain advice from Gandhiji and set up a separate department of Khadi soon thereafter.

After the death of Mahatma Gandhi in 1948, the band of constructive workers in the field of Khadi and Village Industries have turned for direction and guidance to Gandhiji's associate and disciple, Acharya Vinoba Bhave. Shri. Vinoba Bhave's approach to Khadi and Village Industries retains the hard core of Mahatma Gandhi's approach in regard to self-sufficiency, the ideal of clothing village population with Khadi and the rejuvenation of village life as a whole. It is however, marked by considerable liberalism in the matter of use of power and recognition of the inescapable position which "Khadi" for sale has come to occupy.

3.3.2 Post Independence Period

The ideology of cottage and Village Industries popularized by Mahatma Gandhi caught the imagination of our planners after independence. Promotion of Village Industries was enshrined in the constitution as one of the Directive Principles of State policy, in Article 43. The Central Government recognized the importance of rural and cottage industries, in the very first Industrial Policy Resolution of 1948. These ideas were elaborated in the successive five-year plans. The All India Khadi and Village Industries Board was set up in January 1953 for preparing and organizing programmes

for the development of Khadi and Village Industries - including training of personnel, manufacture and supply of equipments, supply of raw materials, marketing, research and study of the economic problem of different Village Industries. To improve the overall performance of Khadi and Village Industries and to overcome some procedural problems, the Board was replaced by Khadi and Village Industries Commission in 1956 by an Act of Parliament. The Commission started functioning from April 1957. Besides Khadi, the Commission was entrusted with the development of twenty six Village Industries. Recently, the definition of Village Industries has been modified and more industries were added to the charge of KVIC, through amendment of the Act. In the year 1987-88, the Government of India, as per the recommendations of the Khadi and Village Industries Review Committee (KAVIRC), amended the KVIC Act, which ushered in considerable expansion of the scope of Village Industries making it eligible for KVIC finance and coverage. KVIC now plays a pivotal role in the strengthening of rural economy by providing employment opportunities by promotion of Khadi and Village Industries.

3.4 Khadi and Village Industries Commission (KVIC)

Khadi and Village Industries Commission (KVIC), is a statutory organisation engaged in promoting and developing Khadi and Village Industries created by the Act of Parliament (No.61 of 1956 and as amended by Act No.12 of 1987), Khadi and Village Industries Commission was established in April 1957, taking over the former All India Khadi and Village Industries Board.

The Khadi and Village Industries Commission is charged with the planning, promotion, organization and implementation of programmes for the development of Khadi and Village Industries in rural areas, in coordination with other agencies engaged in rural development. Up to 1987-88, KVIC was entrusted with twenty six Village Industries. However, through an amendment of KVIC Act in 1987, the definition of Village Industries was changed without altering the definition of Khadi. A Village Industry means any industry, located in rural area (population of which does not exceed 10,000 or such other figures which may be specified), which produces any goods or renders any services with or without the use of power in which fixed capital investment (in plant, machinery, land and building) per head of an artisan or worker does not exceed Rs.15,000 (Planning Commission, 1989).

Khadi and Village Industries Commission has taken up thirty four new Village Industries from 1988-89, in addition to the twenty six Village Industries entrusted to KVIC up to 1987-88. There are also few more Village Industries identified for being taken up in future by KVIC. The list of Village Industries under the purview of KVIC as of 1988, new industries entrusted to KVIC from 1988-89, after the amendment of the KVIC Act in 1987 are provided in Appendix 1, and 2

The definition of Village Industries was modified in the Khadi and Village Industries Commission (Amendment) Bill, 2005 (bill number 109 of 2005). As per clause 2 of the bill it proposes to amend the definition of “village industry”. The amendment proposed in the definition of “village

industry” raised the fixed capital investment per head of an artisan or worker to an amount not exceeding one lakh rupees instead of fifteen thousand rupees under the existing provision. This will result in increase in the number of Village Industries which will be eligible for assistance by the Khadi and Village Industries Commission.

The Khadi and Village Industries Commission (Amendment) Bill, 2005 was introduced in Lok Sabha on August 22, 2005. It was referred to the Department-related Parliamentary Standing Committee for examination. The committee submitted its report to Parliament on December 13, 2005, recommending amendment to four clauses of the Bill and gave its approval on February 1, 2006 for moving amendments to the bill. On March 11, 2006, the Rajya Sabha passed this Khadi and Village Industries Commission (Amendment) Bill, 2005, which was already passed in the Lok Sabha of the Parliament.

The broad objectives of Khadi and Village Industries Commission are, providing employment, and producing saleable articles with the wider objective of creating self-reliance among the people and building up a strong rural community.

In short, the principal objectives of the KVIC is to promote non-farm employment opportunities in rural areas mainly for the weaker sections of the society, such as women, scheduled castes, scheduled tribes, minorities etc., for the overall betterment of rural areas.

Khadi and Village Industries Commission functions at the national level and there are respective State Khadi and Village Industries Boards in

the different States to achieve the broad objective of rural development. The State Khadi and Village Industries Boards are funded from the Khadi and Village Industries Commission for implementation of KVIC schemes, in accordance with its norms/guidelines.

Khadi and Village Industries Commission is also charged with the responsibility of building up of a reserve of raw materials and implements for supply to producers, creation of common service facilities for processing of raw materials as semi finished goods and provisions of facilities for marketing of Khadi and Village Industries products apart from organizing of training of artisans engaged in these industries and encouragement of co-operative efforts among them. KVIC also looks in to encouraging and promoting research in the production techniques and equipment employed in the Khadi and Village Industries sector. Further, the KVIC is entrusted with the task of providing financial assistance to institutions and individuals for development and operation of Khadi and Village Industries and guiding them through supply of designs, prototypes and other technical information.

The central office of the Khadi and Village Industries Commission is at Mumbai, with one Zonal office at Guwahati and twenty nine State offices, Functional Directorates have been constituted to co-ordinate the functions like training, marketing, accounts, Khadi economic research and Rural Employment Generation Programme (REGP). Khadi and Village Industries Commission also undertakes sales activities through its twelve departmentally run Khadi Gramodyog Bhavans and around 7050

institutional sales outlets located in different parts of the country. Six Central Sliver Plants provide quality raw materials to the different Khadi institutions.

Khadi and Village Industries programmes are implemented through around 5549 registered institutions, co-operative societies, 33 State/Union Territories (UTs), Khadi and Village Industries Boards (KVIBs), and 27 Public Sector Banks, Regional Rural Banks (RRBs) and a few selected Co-Operative Banks. The Khadi programme is implemented through institutions registered either with the KVIC or the State Khadi and Village Industries Boards. In the case of Village Industries, the Khadi and Village Industries Commission implements the Rural Employment Generation Programme (REGP).

Khadi and Village Industries Commission play a creditable part in promoting improved technology in Khadi and Village Industries and thereby helping artisans in various industries to derive higher incomes (Vadilal Dagli, 1976).

3.5 Khadi and Village Industries in National Planning

First Plan (1951-56): The planning era for economic development of India started from 1951-52. In 1951, the First Five Year Plan (1951-56) was formulated. In the First Plan, the development of Khadi and Village Industries was treated as an adjunct to the development of agriculture. It was stated in the plan that the Government should give same attention to Khadi and Village Industries as to agriculture. The basic idea was that with the development of the Khadi and Village Industries sector, the excessive population pressure on agriculture could be considerably reduced. The

emphasis was on maximum utilization of idle or leisure time during off-season for the agriculturists. The priority was for producing goods for local consumption and specific measures of assistance, duly supported by appropriate State policy, were to be formulated. This sector, however received partial support by way of State policies and the importance of Khadi and Village Industries, next to agriculture, was not fully realized.

Second Plan (1956-61): The Second Plan visualized an independent position for development of Khadi and Village Industries sector. Among others, the primary objectives laid down during this period were to extend work opportunities, raise progressively the standard of living of artisans and bringing about a more balanced and integrated rural economy. This plan gave more importance to heavy industry. However, it was visualized that Khadi and Village Industries by their contribution to the production of consumer goods, would be able to reduce inflationary pressure caused by large investment in heavy industry. It was feared that the purchasing power of higher magnitude would be generated as a consequence of large investment in heavy industry. The Village Industries were expected to meet the growing demand for common commodities, generated as a result of enhanced purchasing power. In order to realize this objective, the Government prescribed “Common Production Programme” for such Village Industries which had to compete with large scale industries. This was a part of the package for protective measures for Village Industries. Other measures included, prohibition on expansion of a capacity of large scale industries competing with the Village Industries, imposition of excise duty or cess on production of large scale industries, supply of raw materials and

provision of technical research and training for Village Industries. However, there was a wide gap in the policies laid down, their implementation and results.

Third Plan (1961-66): The emphasis in the Third Plan was laid on integration of Village Industries with rural economy. More significance was attached to positive form of assistance, such as improvement of skills, providing technical guidance, better equipments and liberalized credit. It highlighted the need for improving productivity of artisans through their own efforts and use of better tools and equipments. The objectives laid down in the Third Five Year Plan for Village Industries were realized, by and large. The three annual plans from 1966-67 to 1968-69 following Third Plan, also followed the same policy.

Fourth Plan (1968-74): The Fourth Plan witnessed a radical change in the main objectives in the Khadi and Village Industries programme. The emphasis was laid on (i) social objectives of providing employment, (ii) the economic objective of producing saleable articles and (iii) wider objective of creating self-reliance among the people and building up a strong rural community. It also emphasized the concept of viability as a basic requisite for undertaking economic activity in Khadi and Village Industries sector. Considerable efforts were made to improve tools, equipment and technology employed in various Village Industries so as to increase the productivity and earning of the artisans, during this period.

Fifth Plan (1974-79): The basic thrust of the fifth five year plan was on arresting displacement of traditional artisans from the existing crafts,

providing fuller work opportunities, widening the employment base in the backward areas and ensuring the level of earning for the artisans, adequate enough to meet the basic needs of life. It also emphasized the role of appropriate State policies for increasing the coverage of Village Industries. Another aspect emphasized in the Fifth Plan was reduction in inequalities of earnings along with growth and attainment of self reliance. Since the measures taken earlier for removal of regional imbalances and providing work opportunities to the poorest had not produced appreciable results, the stress was laid on making significant effort for providing minimum needs and developing backward areas. Khadi and Village Industries Commission took steps to realize the objectives mentioned in the Fifth Plan, but full policy support from the Government was not available. The two annual plans for 1978-79 and 1979-80, following the Fifth Plan, also followed the same policies.

Sixth Plan (1980-85): In the Sixth Plan, the importance of Village and Small Industries sector, as a major source of providing employment opportunities in rural and semi-urban areas, next to agriculture, was recognized. It also visualized greater management and organizational inputs into this sector to bring about overall improvement. More attention was to be paid to (i) Supply of raw materials in adequate quantity and of proper quality, (ii) design improvement based on feedback from internal and foreign markets, (iii) skill upgradation, (iv) energy supply and (v) improved marketing. It is significant to mention that, the plan emphasized that the responsibility for development of rural industries is primarily that of the States and recommended strengthening of State Khadi and Village Industries Boards through inputs of

professional and managerial expertise and by establishing meaningful linkages with Khadi and Village Industries Commission. It was also stressed that there should be greater participation and involvement of State Governments in Khadi and Village Industries Programme. It is however, regrettable, that the State Khadi and Village Industries Boards have, by and large, not taken much interest in the development of Khadi and Village Industries programmes. There are however, a few exception like the State of Tamil Nadu, Gujarat, etc.

Seventh Plan (1985-90): The Seventh Plan, while recognizing the need for structural changes in the organizational and implementation pattern, for achievement of accelerated growth, conceded that the question of setting up of a separate commission for Village Industries for giving exclusive attention to their promotion and development would be examined. Some of the new directions given in the Seventh Plan included creation of institutional infrastructure at block level for providing (a) training facilities, (b) raw material banks and warehouses and (c) increasing Khadi and Village Industries market outlets. Efforts were also made for greater collaboration with organizations dealing with handlooms, handicrafts, coir, silk etc.

Eighth Plan (1993-1997): The eighth plan identified two major problems in the promotion of Khadi and Village Industries. Firstly, artisans engaged in their units face problems in obtaining assumed and timely supply of raw materials at reasonable rates. Though Khadi and Village Industries Commission have arrangements for supply of raw materials, these arrangements were inadequate. Secondly, the Khadi products are traditional

in character and face problem in competing with organized textile sector. For increasing consumption and sale of Khadi, it is therefore required to adopt an aggressive marketing approach, which takes into account the consumer taste, price and other related factors. One feature of Khadi sales is that, the Government provides rebate on Khadi sales. This issue has been examined in depth by the committees headed by Shri. M. Ramakrishnappa and Shri. Abid Hussain and these committees have favored continuance of rebate in the Khadi sector. However, the emphasis during the Eighth Plan has been to promote those activities in Khadi sector, which are economically viable without the support of subsidies.

During the Eight Plan, allocation to Khadi and Village Industries programme was Rs. 1498 Crores as against the revised budget proposal of Khadi and Village Industries Commission for Rs. 5864 Crores. This wide divergence between the “proposal” and “actual” allocation and multiple revisions of proposals point to the weakness in the budget formulation process of Khadi and Village Industries Commission. During the Eighth Plan, the share of Khadi and Village Industries Commission was more than 50% for Andhra Pradesh, Jammu and Kashmir, Karnataka, Kerala, Meghalaya, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. While the share of the State Governments was substantial for Assam (89%), Gujarat (52%), Himachal Pradesh (99%), and Tripura (59%). Though there was a substantial share for Khadi and Village Industries Commission in these States, the actual release and utilization rates of available resources were extremely low in both the Khadi and Village Industries sectors. The employment growth in the Khadi sector was negligible during the Eighth

Plan, while that in the Village Industries sector grew at the rate of 4.14% per annum.

In the Khadi sector, the physical output of cloth remained more or less constant and so did the labour productivity. In the Village Industries sector on the other hand, there has been a positive growth in employment, labour productivity (35%) and sales realization (32%) during the Eighth Plan.

Nineth Plan (1997-2002): Khadi and Village Industries programmes achieved a growth rate of around 12% in 2000-01 over the year 1999-2000 in terms of production, generating employment for 60.07 lakh against 59.23 lakh reported in 1999-2000. Plans were made to set up a professionally managed company for domestic as well as export marketing of Khadi and Village Industries products. The appropriate participation of Scheduled Caste/Scheduled Tribe artisans in Khadi and Village Industries employment is around 34% and that of women is around 40% (Annual Report, 2001-02)

A committee on strengthening of the Khadi and Village Industries sector was set up under the chairmanship of Shri. K.C.Pant, Deputy Chairman, Planning Commission. The report of the Pant committee, submitted in November, 2001, recommended a special package for the development of the sector. This package includes; (i) providing the option of Market Development Assistance (MDA or rebate for Khadi cloth, (ii) continuity of rebate/MDA for five years, (iii) creation of a database for the sector, and (iv) intensive marketing support so that the sector may fulfill the objectives of generating rural employment and improving the quality of life of the rural people. In a major initiative during the Nineth Plan, the

marketing of a select range of Village Industry products was launched under the brand name 'Sarvodaya', with a focus on quality.

Tenth Plan (2002-2007): With the liberalization and globalisation of the economy and the removal of quantitative restrictions, the smaller units of the Khadi and Village Industries sector are facing stiff competition. An 8% per annum growth in Khadi cloth production has been envisaged during the tenth plan period. Employment in Khadi industries is expected to increase at 3% per annum and efforts are made to improve the quality and value of Khadi production by focusing upon design inputs and improving the quality of Khadi cloth.

In order to increase the earnings of Khadi artisans, attention was made on ensuring higher productivity by introducing improved tools and equipments. With an eye on developing a niche market for Khadi, it is proposed to restructure and strengthen the marketing strategy.

In case of Village Industries, efforts are made to provide adequate finance and tax exemptions, like octroi, purchase tax etc. This plan also aimed at increasing awareness of the Margin Money Scheme of the Khadi and Village Industries Commission for the Village Industries. Technology interfaces are proposed to be established in the Tenth Plan to disseminate information as well as function as technology adoption centers.

In the Tenth Plan, it is proposed to set up rural industrial estates and artisan clusters to provide necessary infrastructure and support services to the Village Industries. Developed land, power, water, common facility

centers, training and skill upgradation centers, design and quality inputs and common packaging facilities would be provided at such clusters.

The Tenth Plan strategies for the Khadi and Village Industries sector include (i) generation of employment in rural areas, (ii) adoption of market oriented production plan, (iii) creation of self employment in rural areas and building up of rural communities by fully utilizing local resources, raw materials and man power and adoption of 'no loss' practice by Khadi and Village Industries units instead of the present 'no profit' policy in order to strengthen the Khadi and Village Industries sector and to make this sector viable and vibrant.

3.6 Khadi and Village Industries

The Khadi and Village Industries sector comprises of both Khadi and Village Industries.

3.6.1 Khadi

Khadi is a hand spun and hand woven cloth made in India from cotton, silk and woolen yarn. Started with the spinning in Takli, 2 spindle new model charkha, 4 spindle, 6 spindle, 8 spindle, 10 spindle and 12 spindle new model charkhas have been introduced in spinning of Khadi yarn. Like wise a number of handlooms including Wardha loom, Gram Laxmi loom, and Pit loom are in operation in weaving Khadi cloth.

3.6.2 Village Industries

The Village Industries can be classified in to seven broad groups. These are: Mineral based industry, Forest based industry, Food and agro

based industry, Polymer and Chemical based industry, Rural Engineering and Non Conventional Energy based industry, Textile industry and Service industry. Industries like Hand Made Paper (HMP) and Fibre which come under Foret Based Industry is considered as a separate group recently by the Khadi and Village Industries Commission.

3.7 Physical Performance of Khadi and Village Industries

The physical performance on the basis of production, sales and employment in the Khadi and Village Industries is discussed below. The performance for the last ten years from 1997-98 to 2006-07 is analysed here.

3.7.1 Production in Khadi and Village Industries

The production in Khadi and Village Industries from 1997-98 to 2006-07 is provided in the table below. The production for these years is given in crores rupees for comparison. The compound annual growth rate is also calculated here.

Table 3.1 Production - Khadi and Village Industries (1997- 2007)

(in Crores)

Year	Khadi	CAGR	Village Industry	CAGR	Total	CAGR
1997-98	624.10	–	3,895.21	–	4,519.31	–
1998-99	635.89	1.89	4,476.48	14.92	5,112.37	13.12
1999-00	551.57	-13.26	5,613.40	25.40	6,164.97	20.59
2000-01	431.57	-21.76	6,491.69	15.65	6,923.26	12.30
2001-02	416.69	-4.77	7,140.52	9.99	7,557.21	9.07
2002-03	443.07	7.80	8,126.30	13.81	8,569.37	13.48
2003-04	453.50	2.35	9,228.27	13.56	9,681.77	12.98
2004-05	461.54	1.77	10,458.89	13.34	10,920.43	12.79
2005-06	468.30	1.46	11,915.54	13.93	12,383.84	13.40
2006-07*	485.18	3.60	14,264.82	19.72	14,750.00	19.11

Note: * Values are target and not actual, CAGR: Compound Annual Growth Rate

Source: Annual Reports, Department of Agro and Rural Industries

The Khadi production which was around 624 crores in 1997-98, has declined to 485.18 crores in 2006-07, indicating a decline of around one and a half times in a span of 10 years. Whereas production in Village Industries indicate a continuous increase from around 3,895 crores in 1997-98 to 14,265 crores in 2006-07, presenting around four times growth over the time period 1997-2007. When we look in to the overall performance with respect to production in Khadi and Village Industries in India, it is noted that there is an increase in production by more than three times with the production increasing from 4,519.31 crores in 1997-98 to 1,47,750 crores in 2006-07.

The compound annual growth rate in Khadi production varies widely from a -21.76% to 1.46%, where as there is no negative growth rate with respect to Village Industries. The compound annual growth rate in Khadi sector shows a negative trend over the years 1999-2002. Later though there is an increase in the production in this sector the rate of growth is less than 3% or 4% except for the year 2002-03. The compound annual growth rates ranges from 10% to 25% over the years 1997-2007 in the case of Village Industries.

The overall performance of Khadi and Village Industries show the compound annual growth averaging around 14% in between the years 1997-2007. The compound annual growth rate for the total sector ranges in between 9.1% to 20.6%.

3.7.2 Percentage share to total production- Khadi and Village Industries

The share of Khadi sector and Village Industries in total Khadi and Village Industries Production differ a lot with the Village Industries contributing more to total production with more than 90 types of industries, contributing to the total production. The percentage share of both these sectors towards the total production for the different years is shown in the following table.

Table 3.2 Sector wise percentage share to total production in Khadi and Village Industries

Year	Khadi	Village Industry	Total
1997-98	13.81	86.19	100.00
1998-99	12.44	87.56	100.00
1999-00	8.95	91.05	100.00
2000-01	6.23	93.77	100.00
2001-02	5.44	94.56	100.00
2002-03	5.17	94.83	100.00
2003-04	4.68	95.32	100.00
2004-05	4.23	95.77	100.00
2005-06	3.78	96.22	100.00
2006-07*	3.29	96.71	100.00

Source: Annual Reports, Department of Agro and Rural Industries

The percentage share of Khadi towards the total Khadi and Village Industries production accounted to 13.81% in 1997-98. Over the years the share of this sector has declined continuously to 8.95% in 1999-2000 to 5.17 in 2002-03, and by 3.29% by the year 2006-07. The corresponding share of

Village Industries show an increasing trend from 86.19% in 1997-98 to 96.71% in 2006-07. There is a decline of around 10% in the share of Khadi to total Khadi and Village Industries production over 1997-98 to 2006-07. The corresponding share of Village Industries takes off this 10% share over the same time period.

3.7.3 Sales in Khadi and Village Industries

The sales in the Khadi and Village Industries separately and the total sales of Khadi and Village Industries over the period 1997-98 to 2006-07 is explained below. The sales values provided are in rupees crores. The compound annual growth rate is also computed for comparative analysis.

Table 3.3 Sales - Khadi and Village Industries (1997- 2007)

(in Crores)

Year	Khadi	CAGR	Village Industry	CAGR	Total	CAGR
1997-98	745.90	—	4,319.38	—	5,065.28	—
1998-99	647.83	-13.15	4,953.18	14.67	5,601.01	10.58
1999-00	631.79	-2.48	6,137.41	23.91	6,769.20	20.86
2000-01	570.55	-9.69	7,384.55	20.32	7,955.10	17.52
2001-02	527.86	-9.17	8,383.49	13.53	8,911.35	11.90
2002-03	577.63	11.46	9,615.71	14.70	10,193.34	14.51
2003-04	587.04	1.63	10,988.17	14.27	11,575.21	13.56
2004-05	617.84	5.25	12,487.35	13.64	13,105.19	13.22
2005-06	628.69	1.76	14,647.33	17.30	15,276.02	16.56
2006-07*	—	—	—	—	—	—

Note: * Values are target and not actual, CAGR: Compound Annual Growth Rate

Source: Annual Reports, Department of Agro and Rural Industries

The Khadi sales accounts to around 745.90 crores in the country as of the year 1997-98. The corresponding figure for Village Industries is 4,319.38 Crores. The sales in Khadi sector shows a declining trend up to 2003-04 and a slight increase thereafter. The sales values are not available for the year 2006-07.

The compound annual growth rate in Khadi shows a negative trend from (-13.15%) in 1998-99 to (-2.48%) in 1999-2000 and again by (-9.69%) in 2000-01 and (-9.17%) in 2001-02. The Khadi sales show a positive move after 2002-03. The total sales of Khadi increased to 577.63 crores in 2002-03 from 518.25, accounting to a compound annual growth rate of 11.46%. The total sales in Khadi show a fluctuating pattern over the last few years. The annual growth rate in sales has declined from 11.46% in 2002-03 to 1.63% in 2003-04 and increased to 5.25% in the next year followed again by a growth rate of only 1.76% in 2005-06.

The sales in Village Industries accounts to around 4,319.38 crores in 1997-98. There is a continuous increase in sales in Village Industries and the total sales as of 2005-06 is 14,647.33 crores accounting to an increase by more than three times in a ten year period. While the sales increased by 3.4 times in Village Industries during 1997-2006, the same shows a decline by 1.2 times in Khadi during the same period of time.

The overall performance with respect to sales is also analysed in the above table. The total sales account to 5,065.28 crores in 1997-98. This has increased to 15,276.02 crores by 2005-06. The compound annual growth rate is 10.58% in 1998-99. The same has increased to 20.86% in the following

year. There are variations in the growth rate over the last few years with an average growth rate of 14.83%.

The percentage share of total sales of both Khadi and Village Industries is given in the following table. The predominance of Village Industries, with respect to total sales is easily seen in the table below.

3.7.4 Percentage share to total sales- Khadi and Village Industries

Table 3.4 Sector wise percentage share to total sales in Khadi and Village Industries

Year	Khadi	Village Industry	Total
1997-98	14.73	85.27	100.00
1998-99	11.57	88.43	100.00
1999-00	9.33	90.67	100.00
2000-01	7.17	92.83	100.00
2001-02	5.82	94.18	100.00
2002-03	5.67	94.33	100.00
2003-04	5.07	94.93	100.00
2004-05	4.71	95.29	100.00
2005-06	4.12	95.88	100.00
2006-07*	—	—	—

Note: * Data not available,

Source: Annual Reports, Department of Agro and Rural Industries

The percentage share in the total sales of both the sectors- Khadi and Village Industries reveals that the share of Khadi in the total sales is declining. The share of Khadi sales, which was 14.73% of the total sales, has

declined to 4.12% in 2005-06. The total sales have declined to 4.1% in 2005-06. The steep decline in production can be attributed to this decline in the sales in the Khadi industry. The sales data for 2006-07 is not available.

The share of Village Industries in total sales shows an increasing trend from 85.27% in 1997-98 to 95.88% in 2005-06. The more number of Village Industries and the increased production in this sector answers this huge share in sales of this sector among the total Khadi and Village Industries performance.

3.7.5 Employment in Khadi and Village Industries

Table 3.5 Employment - Khadi and Village Industries (1997- 2007)

(in Lakhs)

Year	Khadi	CAGR	Village Industry	CAGR	Total	CAGR
1997-98	14.01	—	42.49	—	56.50	—
1998-99	13.85	-1.14	44.44	4.59	58.29	3.17
1999-00	12.35	-10.83	46.88	5.49	59.23	1.61
2000-01	9.56	-22.59	50.51	7.74	60.07	1.42
2001-02	8.48	-11.30	54.16	7.23	62.64	4.28
2002-03	8.58	1.18	57.87	6.85	66.45	6.08
2003-04	8.61	0.35	62.58	8.14	71.19	7.13
2004-05	8.64	0.35	68.14	8.88	76.78	7.85
2005-06	8.68	0.46	74.09	8.73	82.77	7.80
2006-07*	8.80	1.38	79.99	7.96	88.79	7.27

Note: * Values are target and not actual, CAGR: Compound Annual Growth Rate

Source: Annual Reports, Department of Agro and Rural Industries

Creating employment to the masses is the key objective of this sector. Along with production and sales, the performance of Khadi and Village Industries with respect to employment is also analysed here.

The Khadi sector provides employment to around 14 lakh people in the country as of 1997-98. The employment in the Village Industries is around 42.49 lakhs during the same period. The employment in the Khadi sector shows a declining trend over the years. The employment in khadi accounts to only 8.8 lakhs of workers as of 2006-07. The decline in employment is attributed to the low wages in the sector and the lack of proper awareness and training facilities available across the different Khadi units in the country. The compound annual growth rate shows a negative trend for this sector up to 2002-03 and the growth rate thereafter is ranging below 1.5% in the Khadi sector.

The Village Industries provided employment to around 42.49 lakh peoples in 1997-98. This has increased to 79.99 lakhs, accounting to more than double the employment in a span of ten years. The compound annual growth rate increases steadily from 4.59% in 1998-99 to 7.96% in 2006-07.

The overall picture, with respect to employment generation is analysed here. The Khadi and Village Industries sector provided employment to around 56.5 lakh people in 1997-98. This has increased to 88.79 lakhs in 2006-07. The employment generation in the Khadi and Village Industries sector has increased by one and a half times during 1997-2007. The expansion in the number of industries coming under the category of Village Industries and the various subsidy schemes for the start ups in this

sector has resulted in the expansion of this sector and corresponding employment generation under village industries sector.

3.7.6 Percentage share to total employment- Khadi and Village Industries

Table 3.6 Sector wise percentage share to total employment in Khadi and Village Industries

Year	Khadi	Village Industry	Total
1997-98	24.80	75.20	100.00
1998-99	23.76	76.24	100.00
1999-00	20.85	79.15	100.00
2000-01	15.91	84.09	100.00
2001-02	13.54	86.46	100.00
2002-03	12.91	87.09	100.00
2003-04	12.09	87.91	100.00
2004-05	11.25	88.75	100.00
2005-06	10.49	89.51	100.00
2006-07*	9.91	90.09	100.00

Source: Annual Reports, Department of Agro and Rural Industries

The share of Khadi and Village Industries with respect to employment is shown in the above table. The share of Khadi in the total employment generated in Khadi and Village Industries sector shows a decline from 24.8% to 9.91% from 1997-98 to 2006-07. The corresponding employment in Village Industries accounts an increase from 75.2% to 90.09%. The increasing number of village industries over the years and improvement in

the functioning of village industries can be correlated for this increased employment in the village industries sector.

3.8 Conclusion

A close analysis of the growth of Khadi and Village Industries in India is done in the present chapter. The importance of village and small industries sector in the economy facing the twin problems of poverty and unemployment is explained. The place of Khadi and Village Industries in the economic development is analysed here by explaining the role of Khadi and Village Industries in the Pre independence period and the Post independence period of the country

The progress of the industry over the different plan periods is analysed in detail. An attempt is also made to understand the role of Khadi and Village Industries Commission in the development of this sector. The grouping of Village Industries is also looked into in this chapter. To better understand the performance of Khadi and Village Industries sector in India the three parameters of production, sales and employment is analysed for a period of ten years.

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Chapter 4

Khadi and Village Industries in Kerala

4.1 Introduction

The State of Kerala has attained worldwide acclaim for its achievements in improving the physical quality of life of the people, and in the creation of social infrastructure, particularly in health and education systems. While this focus has led to an all round quality of life that is significantly superior to that of other Indian States, the State of Kerala faces a lot of socio economic problems like unemployment, industrial backwardness and poverty.

Kerala constitutes only 1.2 percent of the entire land surface of India; but at the same time has to support about 3.8 percent of the total population of the country (K.C Sankaranarayanan and Karunakaran, 1985). The problem of unemployment is the largest problem of Kerala economy today. Kerala's unemployment is not only about serious problem of educated unemployment but also a substantial portion of this problem is "simple unemployment", unemployment of simple skilled workers. This is highest in the country and is on the rise. The State's population was 318 lakhs in 2001 and 63.4% of the population was in the age group 15-59 (201.83 lakhs), who constitute the labour force. The projected size of the labour force in 2011 is

237.30 lakhs, 2.5% of India's total labour force lives in Kerala. (Economic Review, 2006).

One important feature of the Kerala economy, which makes it different from the rest of the States in the Country, is its highest net out migration of labour force particularly to Gulf countries. As far as unemployment scenario of the State is concerned, it is the worst among all States and Union Territories (only excepting lakshadweep and Tripura). In India according to the National Sample Survey (NSS) 61st Round Sample Survey conducted during 2004-05. This is inspite of the fact that a large section of the population has migrated out to Gulf and other States within the country for jobs.

It is an accepted fact that Kerala continues to be an industrially backward State in the absolute sense of the term. Owing to the high density of population and the failure to achieve a satisfactory level of industrialization, unemployment problem, especially among women, is getting more and more acute in Kerala. (Man Power Study Series, 38, 1984).

On the industrial map of India, the position of Kerala is almost insignificant. The trends in the manufacturing sector of the States economy at first sight certainly seem to be distinctly alarming. Though the factory sector is growing in terms of number of factories, the corresponding employment is either stagnant or declining. Employment per factory is decreasing overtime, which implies that the new factories are not generating much employment in the State as the producers; in the private sector prefer labour saving production units (Prakash, 1994).

Kerala has been lagging behind the national average in industrial development since 1960. Kerala's percapita income from the secondary sector was only three fourth that of all States. According to the level of per capita income, in the secondary sector during 1982-83, Kerala ranks only 10th position. The States per capita income formed only 38% that of Maharashtra. (George, 1988)

Lack of new investment in industry coupled with inefficient functioning of existing units can be stated to be the main reason for the industrial stagnation of the State. Another major reason highlighted for industrial backwardness of the State is the high wage rate and the labour militancy. Lack of adequate capital formation is another factor hindering the industrial growth of Kerala. It seems that the entrepreneurs are choosing tiny projects perhaps due to labour problems in the State thereby reducing average employment per unit in the State at 4.6 persons, which is lower than all India average of 5.5 persons (Economic and Political Weekly, 2003).

4.2 Role of Khadi and Village Industries

The Khadi and Village Industries play a major role in an economy faced by high unemployment rate, high population density and low capital. The agriculture sector growth is limited due to the decreasing rate of cultivable land. The agriculture sector in the State cannot provide gainful employment for the increasing population. In these situations we can find the relevance of Khadi and Village Industries. The Khadi and Village Industries sector provide employment not only to the unemployed but also provide a

substitute employment to agricultural workers who face the problem of seasonal unemployment.

The industrial structure of Kerala is characterized by very low representations of large and medium industrial units and significant concentration of small scale industrial units, with the predominance of traditional “agro based industries”. (Government of Kerala, 1984). The traditional industries have a dominant place in the manufacturing sector of Kerala because of the large labour force employed therein (Nanda Mohan, 1989). Manufacturing sector in the State is lopsided in structure and has remained more or less stagnant in growth since mid seventies (An information Guide to Kerala’s Industrial Scenario, 1992). Interestingly, however, the contribution of these traditional industries to the aggregate net value added by the factory sector is proportionately very less. This reflects upon the low level of technology, low productivity, and low income so characteristic of traditional industries in Kerala (Subrahmanian, 1994). At the outset the structure of manufacturing industry is based on local raw material and in terms of employment the composition is still dominated by traditional industries. They play a vital role in the economy of Kerala. Both in the factory and small scale sector, the traditional industries producing relatively low value added items, occupy a prime place particularly in terms of employment (Pillai, 1994).

Kerala has a different story with respect to the growth of Khadi and Village Industries in the State. There was not much of a tradition of Khadi work in Kerala. What little was done was confined to old Malabar district.

With the advent of the Kerala State Khadi Board, a fillip was given to the functioning of this sector in the State.

4.3 Khadi and Village Industries Board (KVIB)

Kerala Khadi and Village Industries Board (KVIB) was constituted under the provisions of the Kerala Khadi and Village Industries Act of 1957. It is a statutory body constituted by the act IX of 1957 of Kerala Legislative Assembly consequent on the constitution of Khadi and Village Industries Commission (KVIC) at the national level. Promotion of Village Industries is the motto of KVIC and KVIB and therefore these organisations are vested with the responsibility of organising, promoting and developing Khadi and Village Industries at the national level and State level respectively. The board organizes co operative societies, registered institutions, and individual artisans for the development of Khadi and Village Industries in the State.

The State boards (KVIBs) implement about ninety per cent of the Village Industries programme and receive funds from both Khadi and Village Industries Commission (KVIC) and the State governments. The board receives funds from the State Government as grant under plan and from the KVIC as loan and grant in order to perform its various duties.

Almost the entire Khadi sector programme and a small part of the Village Industries programme are being implemented by KVIC directly. Both the KVIC and KVIBs are promotional bodies, which extend a network of institutional, infrastructural and financial support to the Khadi and Village Industries units/ institutions.

At the time of constitution of Khadi and Village Industries Board (KVIB) itself, there were still some institutions engaged in Khadi industry in Kerala, which were started as part of the freedom movement in India. The main objectives of the Board is to promote the Khadi and Village Industries products, provide training to potential entrepreneurs in various sectors such as spinning, weaving, pottery, beekeeping etc, technical assistance to the upcoming units, provide assistance in marketing and co-ordination and monitoring of the KVI units, came up with the assistance of the Board.

The board has its headquarters at Thiruvananthapuram and has district offices in the different districts. The Khadi and Village Industries can be classified in to four categories on the basis of their institutional positions. The four different institutional positions are Co-operative societies, registered institutions, individuals and departmental units. The schemes of the Board are being implemented through these Co-operative Societies, registered institutions, individuals and departmental units.

Table 4.1 Institutional positions of Khadi and Village Industries under the Kerala Khadi and Village Industries Board as on 31-03-2005

	Co-op. Societies	Registered Institution	Individuals	Departments	Total
Khadi	17	10	-	368	395
VI	520	1,186	12,805	21	14,532
Total	537	1,196	12,805	389	14,927

Source: Kerala Khadi and Village Industries Board, Thiruvananthapuram.

The special feature of Khadi units is that there are no individual units under this sector. Most of the Khadi units are departmental units, directly under the control of the board. There are few co-operative societies and registered institutions of Khadi functioning in the State. The individual units are the highest among the Village Industries sector. There is also considerable number of registered Village Industries institutions. The departmental units which have the highest number of units in Khadi are comparatively less in case of Village Industries. The total Village Industries units in the State account to around 14,532 units.

Table 4.2 District wise number of sales outlets and sales under Khadi and Village Industries Board during 2005-06

	Number of Sales Outlets	Sales during 2005-06 (Rs.Lakhs)
Thiruvananthapuram	19	77.80
Kollam	18	64.29
Pathanamthitta	10	27.10
Alappuzha	18	42.62
Kottayam	17	58.10
Idukki	4	19.87
Ernakulam	10	148.20
Thrissur	18	32.00
Palakkad	17	62.86
Malappuram	12	23.93
Kozhikode	30	97.32
Payyannur Khadi Centre (Kannur & Kasargod districts)	45	398.52
Total	218	1052.61

Source: Kerala Khadi and Village Industries Board, Thiruvananthapuram.

The marketing of the Khadi and Village Industries products is done mainly through three types of sales outlets-Grama Soubhagya, Khadi Soubhagya and Khadi Grama Soubhagya. The sales outlets adjoined to the spinning and weaving units are the Grama Soubhagyas. The Khadi Soubhagyas are agency bound sales outlets working on the basis of sales incentives. The Khadi Grama Soubhagyas are the sales outlets run directly by the Khadi and Village Industries board.

The Kerala Khadi and Village Industries Board has 40 Grama Soubhagya units, 46 agency outlets, 131 Grama Soubhagyas and a mobile sales van introduced in Thiruvananthapuram. All put together there are 218 sales outlets in the State. Payyanur Khadi Centre outstands with respect to sales in the State, followed by Ernamkulam, Kozhikode and Thiruvananthapuram.

4.4 Khadi

There are mainly four types of Khadi: Cotton, Muslin, woolen and Silk. In addition to this there is also a variety called polyvasta which is produced in certain Khadi units. Polyvastra is a combination of polyester and cotton.

The Khadi units can be mainly classified in to three. One type of Khadi units are those where there is only spinning activity is undertaken. The second categories are those exclusively focused on weaving. Other than these two there are Khadi units where both spinning and weaving are undertaken simultaneously. Each Khadi unit will be under one or two instructors who are employees appointed by the board. These instructors are

responsible for managing the unit and assisting the workers in their day to day activities.

KVIB promotes Khadi Industry departmentally and institutionally. The Kerala KVI Board is engaged in spinning and weaving activities for Cotton, Muslin, Polyvastra. In case of Silk, weaving only is undertaken. Various varieties of yarn viz. 33s, 50s under Cotton, 100s, 150s under Muslin, 50s, 70s under Polyvastra are produced through these spinning units. The yarn, which are numbered 100s and above are called muslin which is the finer variety of cotton.

The two main activities in the Khadi units are Spinning and Weaving. In addition to this there are additional activities like dyeing, startching of threads etc.

Spinning:- Usually Rovings , the basic raw material for spinning, are obtained by the repeated processing of cotton in mills. But rovings for Khadi yarn are produced through charkas using manpower to get handspun yarn. Various varieties of charkas now in use are 6 spindle, 7 spindle, 8 spindle, and 12 spindle. 12 spindle charkas are pedel operated and others are hand operated. 8 spindle charkas are the most commonly used charkas in most of the production units.

Weaving:- Handspun yarn is winded for warp and weft. Weaving in handloom is done using this processed yarn. Frame looms and semi automatic looms are generally used in this process.

Dyeing:- Dyeing is done before weaving. Natural colours are mainly used for the dyeing of Khadi cloth.

There are 371 Khadi units in the State. Out of this 371 units 233 units are spinning and the rest 138 are weaving units (Table 4.3). Payyanur Khadi centre, is the major Khadi production centre under the board. This unit was under the control of Tamilnadu Government before the formation of the Kerala State. This unit come under the Kerala Khadi and Village Industries Board on 1-11-1959. The departmental units in Kannur and Kasargod districts are under the control of Payyanur Khadi Centre. There are around 66 spinning centres and 44 weaving centers under the Payyanur Khadi centre. There are also other units like cotton processing unit, honey processing unit, village oil unit, carpentry unit, readymade unit, chappal manufacturing unit and dyeing unit under the Payyanur Khadi Centre. Next to Payyanur, Kozhikode tops in the number of Khadi units (64), followed by Thiruvananthapuram and Palakkad respectively with 37 and 33 units respectively.

Table 4.3 District wise details of spinning and weaving centers in Kerala

	Spinning Centres	Weaving Centres	Total
Thiruvananthapuram	22	15	37
Kollam	15	5	20
Pathanamthitta	9	5	14
Alappuzha	10	5	15
Kottayam	13	4	17
Idukki		2	2
Ernakulam	15	5	20
Thrissur	12	10	22
Palakkad	20	13	33
Malappuram	9	5	14
Kozhikode	39	25	64
Wayanad	3	-	3
Payyannur Khadi Centre (Kannur & Kasargod districts)	66	44	110
Total	233	138	371

Source: Kerala Khadi and Village Industries Board, Thiruvananthapuram.

Production and employment of the different varieties of Khadi are described in the following section.

4.4.1 Cotton Khadi

The most common variety of Khadi produced in the State is the Cotton Khadi. The production and employment generated in the State for the years 1997-98 to 2004-05 are explained below.

4.4.1.1 Production – Cotton Khadi

The production of Khadi can be divided into two, the yarn production which comes out from the spinning activity and the cloth production which is the output of weaving activity. The total thread production is calculated on the basis of the quantity of hangs produced, which is the measurement used for yarn production. This shows a fluctuating pattern and also a declining trend over the years. The case is same with that of cotton cloth production in the State.

Table 4.4 Production of Cotton Khadi (1997-2005)

Year	Qty (Hangs in Lakhs)	Qty (Lakh Square Meter)
1997-98	52.50	9.84
1998-99	75.36	9.48
1999-00	55.33	8.59
2000-01	48.58	6.91
2001-02	40.89	5.85
2002-03	19.54	6.35
2003-04	41.09	5.93
2004-05	35.34	5.79

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.1.2 Employment – Cotton Khadi

The employment in Khadi production can be classified on the basis of the activities of the workers as spinners, weavers, others and salaried staff.

Table 4.5 Employment in Cotton Khadi Production (1997-2005)

(in numbers)

Year	Spinners	Weavers	Others	Salaried staff	Total
1997-98	3,788	1,138	194	408	5,528
1998-99	3,552	1,309	405	407	5,673
1999-00	2,412	1,182	71	334	3,999
2000-01	2,022	958	32	236	3,248
2001-02	1,890	1,138	431	209	3,668
2002-03	1,669	1,397	298	164	3,528
2003-04	1,699	869	153	234	2,955
2004-05	1,367	1,139	136	249	2,891

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Spinners outnumber the rest with respect to cotton Khadi production. The employment of spinners show a steep decline from 3,788 workers in 1997-98 to 1,367 workers in 2004-05. The case with weavers is more or less same, though there are fluctuations in few years in between, The other workers engaged in the processing and other activities varies widely over the years and the salaried staff also show a declining trend from 408 staff in 1997-98 to 249 staff by 2004-05. The total employment picture shows a decline from 5528 workers in 1997-98 to 2891 workers in 2004-05.

4.4.2 Muslin Khadi

Next to cotton Khadi, the highest produced variety of Khadi in the State is Muslin Khadi.

4.4.2.1 Production – Muslin Khadi

The spinning activity of Muslin is measured on the basis of thread production. The total production of Muslin show wide fluctuations. With respect to cloth production there is an increase in quantity produced in 1999-2000 and 2000-01. Later on the values show a declining trend.

Table 4.6 Production of Muslin Khadi (1997-2005)

Year	Qty (Hangs in Lakhs)	Qty (Lakh Square meter)
1997-98	34.05	1.10
1998-99	24.07	0.50
1999-00	44.80	2.28
2000-01	35.16	2.52
2001-02	32.67	1.51
2002-03	18.02	0.56
2003-04	27.23	1.16
2004-05	24.84	0.86

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.2.2 Employment – Muslin Khadi

Employment in muslin production is the highest for spinners followed by weavers. The rate of employment is comparatively less in case of Muslin

production with that in Cotton Khadi production. The spinners constitute to around 69% of the total workers and the weavers account to 22% to total employed as of 2004-05. The total employment in Muslin Khadi varies with up and down fluctuations over the different years.

Table 4.7 Employment in Muslin Khadi Production (1997-2005)

(in numbers)

Year	Spinners	Weavers	Others	Salaried staff	Total
1997-98	1,700	373	86	15	2,174
1998-99	1,237	297	27	102	1,663
1999-00	1,934	482	23	135	2,574
2000-01	1,712	478	10	86	2,286
2001-02	1,749	869	63	174	2,855
2002-03	1,478	314	188	108	2,088
2003-04	1,194	459	52	139	1,844
2004-05	1,374	433	66	108	1,981

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.3 Silk Khadi

4.4.3.1 Production – Silk Khadi

Silk production is not very prominent in the State. There was no Silk production in the State up to 2000-01. The production activity is restricted to weaving with respect to Silk Khadi in the State.

Table 4.8 Production of Silk Khadi (1997-2005)

	Qty (Hangs in Lakhs)	Qty (Lakh Square meter)
1997-98	0.00	0.00
1998-99	0.00	0.00
1999-00	0.00	0.00
2000-01	0.00	0.17
2001-02	0.00	0.67
2002-03	0.00	0.08
2003-04	0.00	0.26
2004-05	0.00	0.20

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The cloth production in Silk Khadi is less than one lakh square meters. The quantity produced also show a fluctuating pattern over the years 2000-2005. There is no thread production with respect to Silk Khadi in Kerala.

4.4.3.2 Employment – Silk Khadi

Employment in Silk production is very less. Only 33 people were engaged in Silk weaving in the State as on 2000-01. This has increased to 49 in 2003-04 and marginally declined to 47 weavers in 2004-05.

Table 4.9 Employment in Silk Khadi Production (1997-2005)**(in numbers)**

	Spinners	Weavers	Others	Salaried staff	Total
	Total	Total	Total	Total	Total
1997-98	0	0	0	0	0
1998-99	0	0	0	0	0
1999-00	0	0	0	0	0
2000-01	0	30	0	3	33
2001-02	0	30	0	3	33
2002-03	0	25	0	3	28
2003-04	0	35	8	6	49
2004-05	0	38	6	3	47

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.4 Polyvastra

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Another variety of Khadi – Polyvastra is produced in the State. Polyvastra is a combination of cotton and polyester in which cotton comprises to 70% and the share of polyester is 30%.

4.4.4.1 Production – Polyvastra

The spinning of polyvastra shows a steep fall from 22.76 lakh hangs in 1997-98 to 13.58 lakh hangs in 1998-99. Later the figures show that the thread production is marginalized around 12-14 lakh hangs, with little fluctuations over the years 1998-2005. Weaving of polyvasta ranges in between in between 1 lakh to 1.5 lakh square meters. There is a decline in

polyvastra cloth production from 1.12 lakh square meters in 2003-04 to 0.89 lakh square meters in 2004-05.

Table 4.10 Production of Polyvastra (1997-2005)

	Qty (Hangs in Lakhs)	Qty (Lakh Square meter)
1997-98	22.76	1.21
1998-99	13.58	1.50
1999-00	13.35	1.20
2000-01	11.56	1.05
2001-02	14.55	1.24
2002-03	12.33	1.07
2003-04	13.84	1.12
2004-05	13.97	0.89

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.4.2 Employment – Polyvastra

Employment in polyvasta production was 966 workers in 1997-98. This has declined to 710 as of 2004-05. Polyvasta weavers account to less than 30% of the total workers employed in polyvastra production. The salaried staff and other workers in this sector is very less, and it also shows a fluctuating pattern over the years.

Table 4.11 Employment in Polyvastra Production (1997-2005)
(in numbers)

	Spinners	Weavers	Others	Salaried staff	Total
	Total	Total	Total	Total	Total
1997-98	755	185	24	2	966
1998-99	520	208	8	24	760
1999-00	510	205	21	97	833
2000-01	500	200	0	24	724
2001-02	569	183	9	40	801
2002-03	429	94	29	26	578
2003-04	502	165	8	46	721
2004-05	502	151	26	31	710

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.4.5 Total Khadi Production

The total production in the Khadi sector is presented in the table below.

Table 4.12 Total Production in the Khadi Units in Kerala (1997-2005)

	Qty (Hangs in Lakhs)	Qty (Lakh Square meter)
1997-98	109.31	12.15
1998-99	113.01	11.48
1999-00	126.35	12.07
2000-01	95.30	10.65
2001-02	88.11	9.27
2002-03	49.89	8.06
2003-04	82.16	8.47
2004-05	74.15	7.74

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The total production of thread including cotton, muslin and polyvastra show a declining trend. The thread production has declined from 109.31 lakh hangs in 1997-98 to 74.15 hangs in 2004-05. There was an increase in thread production in 1999-2000, which again declined in the following year.

The total cloth production of Khadi shows a declining trend. Around 12.15 lakh square meters of Khadi cloth was produced in the State as of 1997-98. This has declined to 7.74 lakh square meters as of 2004-05. The cloth production shows a gradual decline over the years.

4.4.6 Total Khadi Employment

The key objective of Khadi and Village Industries is that of employment generation. This sector provides employment to around 5629 workers as of 2004-05. The total spinners employed have declined by 50%, whereas there is an increase in the employment of weavers though the increase is marginal. The share of spinners, which was 72% of the total employed in Khadi sector in 1997-98, has declined to 57% in 2004-05. The weavers account to 31% of total employed in 2004-05. Hardly 12% of the workers belong to the salaried staff and other workers category.

Employment in cotton Khadi shows a decline from 5,528 workers in 1997-98 to 2,891 in 2004-05. In muslin production employment has declined from 2,174 workers to 1,981 during the period 1997-2005. Employment in Silk production is meagre in the State with only 47 workers employed in Silk cloth production as of 2004-05. Polyvastra production also shows a downward trend from 966 workers to 710 workers during the same time

period. The total employment has declined sharply from 8,668 workers in 1997-98 to 5,629 workers in 2004-05.

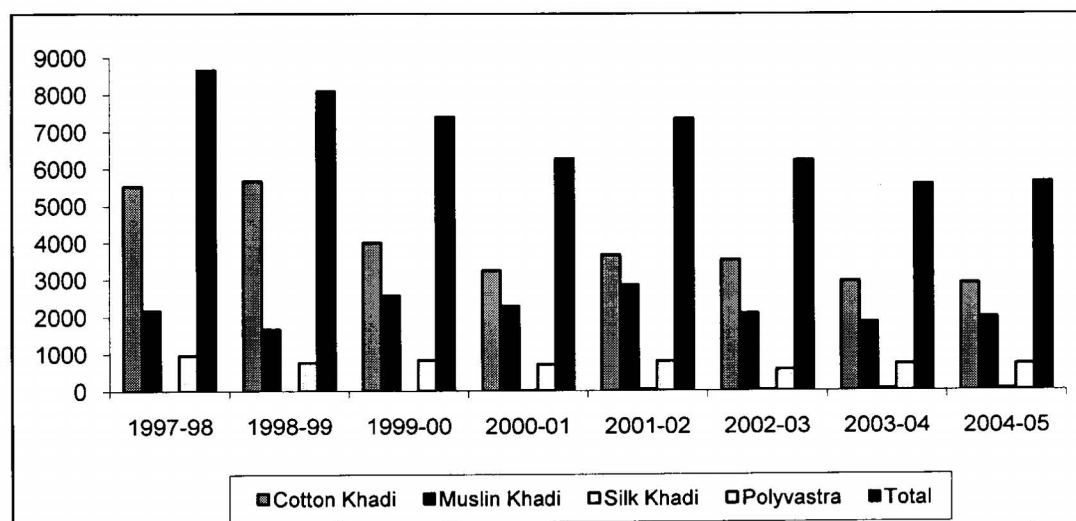
Table 4.13 Total Employment in the Khadi Units in Kerala (1997-2005)
(in numbers)

	Spinners	Weavers	Others	Salaried staff	Total
	Total	Total	Total	Total	Total
1997-98	6,243	1,696	304	425	8,668
1998-99	5,309	1,814	440	533	8,096
1999-00	4,856	1,869	115	566	7,406
2000-01	4,234	1,650	42	346	6,272
2001-02	4,208	2,220	503	426	7,357
2002-03	3,576	1,830	515	301	6,222
2003-04	3,395	1,528	221	425	5,569
2004-05	3,243	1,761	234	391	5,629

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Graph 4.1 Product wise total employment in the Khadi sector (1997-2005)

(in numbers)



Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Thus, there is a continuous decline in the employment in the cotton Khadi production. There are up and down fluctuations in the employment in muslin, Silk, and polyvastra production. The drop out of the workers due to personal and family reasons and the low wage rate in this sector could be inferred for this decline in employment in the Khadi sector. One of the notable features of employment in the Khadi Industry is that most of the workers are full time workers and there are no part time and casual employment so that under employment problem is practically absent in this sector.

4.5 Village Industries

Village Industry means any industry located in rural areas which produces any good or renders any service with or without use of power and in which the fixed capital investment (in plant and machinery, land and building) per head of an artisan does not exceed Rs. 1,00,000/- as per the Khadi and Village Industries (Amendment) Bill, 2005. The peculiar feature of all Khadi and Village Industries is that they can be established only in Panchayat areas. The only exception for this is the service industries. The Kerala Khadi and Village Industries Board provide financial assistance to the units under the board. There are twenty four types of Village Industries functioning under the Board. The classified list of Village Industries under the Kerala Khadi and Village Industries Board is given in Appendix 3. The Boards assistance is restricted to products, which are healthy and eco-friendly only.

The Village Industries can be classified on the basis of different schemes they belong to. The three main schemes implemented are Pattern scheme, Consortium Bank Credit Scheme (CBC) and Rural Employment Generation Programme (REGP). These schemes are intended to help the rural communities set up industrial units with minimal investment and yielding good returns.

The Kerala Khadi and Village Industries Board had extended financial assistance to setup around 18,241 units to generate 1,44,941 employment through 'Pattern Scheme', and 1,572 units to generate 12,473 employment opportunities through 'Consortium Bank Credit Scheme' (CBC).

The Board implemented a new scheme 'Rural Employment Generation Programme' (REGP) in 1997-98 and has generated 70,777 employment. The REGP scheme was winded up as of March 2008. The Board is planning to implement a new scheme for the generation and development of employment opportunities in the rural areas of the State. The performance of the Kerala Khadi and Village Industries board is summaried in table 4.14.

The Kerala Khadi and Village Industries are funded by the Khadi and Village Industries Commission (KVIC), for implementing the Pattern scheme, CBC scheme and REGP scheme.

Table 4.14 Duration, Investment and Employment under different Schemes for Village Industries

Name of the scheme	Period of implementation	Board,s investment as Margin money/grant	Employment Oppurtunities
Pattern Sheme	From 1957-58 to 1994-95	Rs. 75.00 Crores	1,44,941
Consortium Bank Credit (CBC) Scheme	From 1995-96 to 1999-2000	Rs. 45.04 Crores	12,473
Rural Employment Generation Programme (REGP) Scheme	From 1997-98 to 2007-08	Rs. 58.91 Crores	70,777

Source: Kerala Khadi and Village Industries Board, Thiruvananthapuram

4.5.1 Pattern Scheme

The primary scheme for employment generation launched by the Khadi and Village Industries Commission (KVIC) was known as the Pattern Scheme. Financial assistance in the form of grant and loan was extended to the beneficiaries as per the fixed pattern of KVIC for establishing Khadi or Village Industries units and provide employment to the rural people. As per the scheme capital expenditure per head fixed was Rs. 15,000. The rate of assistance for Village Industries was 4% and Khadi loan was interest free. The scheme was implemented from 1957 to 1994-95.

As per the pattern scheme 132 Co-operative societies and 47 Registered Institutions were financed by the Board for undertaking Khadi Industry. Among these 17 co operative societies and 10 Registered

institutions are only working at present. 13 directly aided institutions of KVIC are also engaged in Khadi industry in the State. During the period of implementation of the pattern scheme, co-operative societies exclusively for scheduled castes and scheduled tribes and also general categories were registered and availed financial assistance for establishing KVI units. 81% of the total co-operative societies were registered during this period. 1,873 co-operative societies, 2,079 registered institutions and 14,212 individuals were financed by the Board for undertaking Village Industries

One attracting factor for the Pattern scheme is that it had special consideration for traditional artisans, weaker section categories and ex-servicemen etc. Even if it be so, there were some drawbacks also for this scheme. The quantum of assistance prescribed during the inception of the scheme was continued till 1994. As the cost of production was increasing day by day the rate of assistance were meager to run the unit successfully. But still there are units working successfully.

4.5.2 Consortium Bank Credit Scheme (CBC)

KVIC introduced Consortium Bank Credit Scheme during 1995-96. Financial assistance was extended under this scheme based on the projects submitted by the beneficiaries. The maximum project rate of assistance for individuals is Rs. 10 lakhs and for institutions the maximum limit is Rs. 25 lakhs. 25% of project cost up to 10 lakhs and 10% on the remaining portion above 10 lakhs is the rate at which margin money is provided under the CBC scheme.

The CBC scheme was implemented with the aim of getting adequate financial assistance for establishing the units. But the high rate of interest affected the repayment and working of the units. Moreover the lack of publicity the Khadi and Village Industries sector faced a lot of problems in marketing as well. Hence there was a downward trend in employment generation. It is seen that 33.5% of the co-operative societies were working during 1994-95, which became 32% in 2000-01 and now it is only 10%. Registered institutions and individuals also had downward trend but was little better.

The low performance had also various other reasons like mismanagement of the committee of co-operative societies and institutions, lack of adequate technical knowledge of the beneficiaries about the industry undertaken, lack of sufficient working capital in the case of Pattern Scheme and defaulted repayments by the beneficiary.

4.5.3 Rural Employment Generation Programme (REGP)

The employment generation scheme now being implemented by the KVI Board is the Rural Employment Generation Scheme, which is also known as Margin Money Scheme. The REGP aims at generating employment opportunities in the rural sector through the various Village Industries. Margin money scheme is the employment generating scheme undertaken by the KVIC across the country with the objective of more employment generation in the rural areas of the country.

As per this scheme the loan is to be availed from Banks and other financial institutions and Margin Money is extended from the Board/KVIC.

The maximum project rate of assistance for individuals is Rs. 10 lakhs and for institutions the maximum limit is Rs. 25 lakhs. 25% of project cost up to 10 lakhs and 10% on the remaining portion above 10 lakhs is the rate at which margin money is provided. For the scheduled caste, scheduled tribe, women, minorities, OBC etc the rate of margin money is 30% of the total project cost, which is 25% for the general category.

The margin money scheme is provided only if certain only for the Village Industries located in the panchayats and for the industries which do not come under the negative list of the KVIC. Negative list of industries figured out by KVIC are those industries connected with the manufacturing or sale of intoxicant items, meat processing, manufacturing of polythene bags of less than 20 micrones, activities connected with cultivation/planmtation/culture (pisci culture, floriculture etc), items causing environmental problems, recycled plastic and rural transport.

The REGP scheme is given to individuals, co-operative societies, charitable institutions, trustees and self help groups. The private limited companies, joint borrowers, co-obligators, Hindu Undivided family, partnership organizations are not eligible for this margin money scheme. As per this scheme an own contribution of minimum 10% of the project cost in case of general category beneficiaries and 5% in case of weaker section beneficiaries (i.e., belonging to SC/ST, women, minority community, North Eastern Zone, OBC etc) should be deposited in the bank by the entrepreneur giving the loan.

The margin money amount is deposited as a fixed deposit in the name of the entrepreneur in the bank, which provides the loan for the entrepreneur as soon as the first installment of loan is given.

The margin money fund is allocated to repay the loan as the completion of two years of the project. The margin money has to be paid back in case if the required amount of employment is not provided or if the unit does not function properly.

The Kerala Khadi and Village Industries board has been implementing the REGP programme through five nationalized banks (Bank of Baroda, State Bank of Travancore, Indian Overseas Bank, Punjab National Bank and Syndicate Bank), Co-operative Banks and Public sector Scheduled Banks. Khadi and Village Industries Commission is also implementing this scheme (REGP) directly in the State.

4.5.4 Other schemes

4.5.4.1 Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

This scheme started by the Khadi and Village Industries Commission aims at grouping the traditional artisans into clusters and generate employment. Through this scheme the central government aims at making clusters of Coir, Khadi and Village Industries.

The objective of this scheme is to develop clusters of traditional industries in various parts of the country over a period of five years, to make traditional industries more competitive with market driven, productive,

profitable and sustained employment for traditional industry artisans and rural entrepreneurs, to strengthen the local governance system of industry clusters etc.

4.5.4.2 Special Employment Generation Programme

This programme is to be launched during the year under plan and aims at providing employment to the traditional artisans and weaker sections of this society through Khadi and Village Industries. Board proposes 10 Khadi and Village Industries units each in every Grama Panchayat during the eleventh plan period. Maximum grant will be limited to Rs.50, 000 under this programme. 10% of the project cost is expected as beneficiary contribution and the rest 90% of the cost is met by bank loan. The margin money grant under this programme are 25% of the project cost for the general category, 30% of the project cost for women/OBC, 40% of the project cost for scheduled castes and 50% of the project cost for scheduled tribes.

4.5.4.3 Product Development Design Intervention and Packing (PRODIP Scheme)

This scheme is introduced with the objective of improving the quality of Khadi and Village Industries products. This scheme was launched by the Khadi and Village Industries Commission in order to improve the design and quality of KVI products with the current market trends and thereby improve the sales and marketing of KVI products. Product differentiation, improved packing are the different methods used under this scheme. The project reports are to be submitted to the KVIC. A maximum amount of 2 lakhs is

allotted for each project. As of now the Kerala Khadi and Village Industries Board has received four projects under this scheme.

4.5.4.4 State Government Plan Scheme

The Kerala Khadi and Village Industries Board runs departmental units for Khadi and certain Village Industries. These units were started with the view to provide regular employment to rural artisans within their local premises. There are 371 Khadi production centres and 20 Village Industries production centres under the Board. The head quarters of the Board is at Thiruvananthapuram. The departmental activities in the districts are implemented by the concerned project officer except in the Kannur and Kasargod districts. The units in Kannur and Kasargod districts are under the direct control of the Director Payyannur Khadi Centre, which is one of the major Khadi production centres under the Board,

4.5.5 Classification of Village Industries

The Village Industries are broadly classified in to seven categories namely, Mineral based industries, forest based industries, agro and food based, polymer and chemical based, Rural Engineering and Non Conventional Energy, textile and service industries.

Performance of Village Industries

This section tries to analyse the performance of Village Industries in the different categories including the three major schemes-Pattern Scheme, Consortium Bank Credit Scheme (CBC), and Rural Employment Generation Programme (REGP). The number of units and employment is provided

together as they are measured in number and production and sales are presented together as both are measured in rupees lakhs. The data is compared for the period 2001-2007.

4.5.5.1 Mineral Based Industry

The mineral based industry includes cottage pottery industry, lime industry, stone cutting, stone crushing, hollow block manufacturing, Washing power manufacturing, paint manufacturing and Jewellery. Pottery is one of the oldest traditional occupations in rural India. These industries generate employment to around 30,000 people in the State. The number of units account to around 2320 as of 2006-07.

Table 4.15 Total Number of Units and Employment in the Mineral Based Industry (2001-2007)

(in numbers)

	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	2,101	214	87	2,402	28,951	1,545	1,070	31,566
2002-03	2,074	211	39	2,324	28,876	1,557	514	30,947
2003-04	2,013	204	133	2,350	28,589	1,556	1,412	31,557
2004-05	2,010	204	70	2,284	28,553	1,551	781	30,885
2005-06	2,010	204	128	2,342	27,170	1,529	2,074	30,773
2006-07	2,010	204	106	2,320	27,020	1,560	1,250	29,830

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The number of units coming under the pattern scheme is more with respect to the mineral based industry. There is a gradual decline in the

number of mineral based industries units started under pattern scheme and CBC scheme. In case of REGP the number of units show a fluctuating trend with increase and decrease in units over the years. The employment generated by this industry in the State is provided with classification in the different schemes. As is the case of number of units, the employment generated by pattern scheme is more in case of Mineral based industries and the employment growth under this scheme show a gradual decline. The employment generated through CBC scheme is fixed around 1500 with slight fluctuations. The employment generated under the REGP scheme in this industry shows an up and down trend over the years 2001-2007. The total employment generation in the mineral based industry shows a declining trend though the decline is marginal over the years.

**Table 4.16 Production and Sales in the Mineral Based Industry
(2001-2007)**

(in Rs.Lakhs)

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	3,159.3	523.6	168.3	3,851.2	1,780.5	2,387.6	655.9	4,824.0
2002-03	3,138.3	525.4	740.6	4,404.3	3,439.1	587.8	827.3	4,854.2
2003-04	3,043.0	507.0	2,301.9	5,851.9	3,417.0	586.0	2,667.9	6,670.9
2004-05	3,072.0	514.5	2,297.7	5,884.2	3,465.0	598.5	2,552.7	6,616.2
2005-06	2,972.0	510.0	3,316.4	6,798.4	3,313.0	597.5	3,725.9	7,636.4
2006-07	2,980.0	520.0	2,423.8	5,923.8	3,305.0	605.0	2,803.2	6,713.2

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The production and sales is represented in rupees lakhs and it shows a positive move over the years 2001-2007 in the Mineralbased industry.

4.5.5.2 Forest Based Industry

The cottage match industries, agarbatty industry, fibre industry, handmade paper and cane and bamboo industries come under the forest based industries. The number of units under this sector account to 1,416 units as of 2006-07. This was 1493 units in 2001-02. This sector is a major provider of employment. The total employment generated by this sector account to 72,434 as of 2001-02, but has gradually declined to 64,780 over a period of five years. Out of this 64,780 employment generated under this sector 53,899 workers are employed in the hand made paper and fibre industry. The details of the number of units and employment under the forest based industry is shown in the table below.

Table 4.17 Total Number of Units and Employment in the Forest Based Industry (2001-2007)

(in numbers)

	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	1,273	116	104	1,493	71,070	477	887	72,434
2002-03	1,257	114	9	1,380	70,881	484	79	71,444
2003-04	1,236	109	126	1,471	68,308	475	911	69,694
2004-05	1,230	109	57	1,396	68,198	503	354	69,055
2005-06	1,230	109	57	1,396	63,874	472	562	64,908
2006-07	1,230	109	77	1,416	63,390	574	816	64,780

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The production shows an increasing trend. Production, which was around 2,953 lakhs in 2001-02, has increased marginally to 3,012 lakhs in 2006-07 in this industry. Sales figures for this sector show a fluctuating trend over 2001-2007. The share of hand made paper and fibre industry in the total production of this sector account to 41% and the share in sales account to 40% of the total sales as of 2006-07.

**Table 4.18 Production and Sales in the Forest Based Industry
(2001-2007)**

(in Rs.Lakhs)

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	2,108.5	340.9	504.0	2,953.4	2,250.1	360.5	694.8	3,305.4
2002-03	2,068.3	338.1	145.1	2,551.5	2,109.8	359.8	161.2	2,630.8
2003-04	2,148.0	216.0	1,675.0	4,039.0	2,169.0	237.0	2,067.1	4,473.1
2004-05	2,138.0	230.0	877.3	3,245.3	2,171.5	250.3	1,000.6	3,422.4
2005-06	1,774.0	235.8	1,007.8	3,017.6	1,800.0	241.9	1,083.5	3,125.4
2006-07	1,727.0	247.0	1,038.1	3,012.1	1,765.0	252.9	1,192.8	3,210.7

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.5.5.3 Food and Agro Based Industry

Fruits and vegetable processing, processing of cereals and pulses, palmgur, gurkhandsari, bee keeping, products of different type of spices/masalas, cereals such as dalia, papads, jams and jelly, pickles, village oil, that are used in every household come under this Industry.

Table 4.19 Total Number of Units and Employment in the Food and Agro Based Industry (2001-2007)

(in numbers)

	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	6,261	419	22	6,702	47,178	1,331	174	48,683
2002-03	6,207	415	79	6,701	46,869	1,334	645	48,848
2003-04	6,132	412	102	6,646	46,289	1,337	838	48,464
2004-05	6,127	412	57	6,596	46,022	1,364	411	47,797
2005-06	6,127	412	126	6,665	42,021	1,286	1,544	44,851
2006-07	6,127	412	81	6,620	41,071	1,430	1,080	43,581

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Food and agro based industries generate employment to around 43,581 people in the State as of 2006-07 under the different schemes. The number of units account to around 6,620 as of 2006-07. The data reveals that though this sector is a major provider of employment among the Khadi and Village Industries, the employment generation under this sector is declining over the years.

The production and sales in value terms is presented in the table below. The production has increased from 3,280 lakhs in 2001-02 to 5,397 lakhs in 2006-07. The corresponding values with respect to sales is 3,518 lakhs and 6363 lakhs showing a positive growth trend.

**Table 4.20 Production and Sales in the Food and Agro Based Industry
(2001-2007)**

(in Rs.Lakhs)

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	2,610.2	627.3	42.8	3,280.4	2,776.2	673.1	68.3	3,517.6
2002-03	2,530.2	616.7	1,220.3	4,367.2	2,610.0	652.9	1,348.0	4,610.8
2003-04	2,633.0	820.9	1,668.6	5,122.5	2,898.0	881.0	1,871.8	5,650.8
2004-05	2,583.5	844.2	1,137.8	4,565.5	2,870.8	915.4	1,304.1	5,090.3
2005-06	2,407.0	872.2	2,773.0	6,052.2	2,925.0	1,035.4	3,033.2	6,993.6
2006-07	2,323.0	897.8	2,176.4	5,397.2	2,875.0	1,047.2	2,440.7	6,362.9

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

4.5.5.4 Polymer and Chemical Based Industry

The village leather industry, soap industry, rubber industry, and plastic industry come under the polymer and chemical based industry.

Table 4.21 Total Number of Units and Employment in the Polymer and Chemical Based Industry (2001-2007)

(in numbers)

	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	726	111	74	911	4,019	952	752	5,723
2002-03	725	109	28	862	4,019	957	284	5,260
2003-04	697	103	85	885	3,962	679	822	5,463
2004-05	694	103	58	855	3,886	705	423	5,014
2005-06	694	103	59	856	2,335	483	583	3,401
2006-07	694	103	35	832	2,275	464	341	3,080

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The number of units as well as employment generated under this industry is more under the pattern scheme. Around 832 units come under this industry as of 2006-07. This sector provides employment to 3,080 workers as of 2006-07. The employment under this sector has declined drastically from 5,723 in 2001-02 to 3,080 as of 2006-07. The growth in the number of units also shows a downward trend over the period 2001-2007.

Table 4.22 Production and Sales in the Polymer and Chemical Based Industry (2001-2007)

(in Rs.Lakhs)

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	3,524.7	682.1	341.6	4,548.3	3,736.0	763.1	526.7	5,025.8
2002-03	3,532.0	696.2	479.2	4,707.4	3,746.0	767.6	522.2	5,035.8
2003-04	3,601.0	750.0	1,906.8	6,257.8	3,768.0	1,310.0	2,145.2	7,223.2
2004-05	3,221.0	800.7	1,224.1	5,245.8	3,578.0	1,318.6	1,337.7	6,234.3
2005-06	2,512.0	546.0	1,521.9	4,579.9	2,593.0	854.0	1,685.1	5,132.1
2006-07	2,480.0	542.0	1,272.5	4,294.5	2,565.0	822.0	1,345.3	4,732.3

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Production shows a fluctuating pattern with increase and decrease in values over the years 2001-2007. Sales under this industry show an increase in the years 2002-2004, and then a continuous decline in the later years 2005-2007.

4.5.5.5 Rural Engineering and Non Conventional Energy Industry

Engineering & non-conventional energy group of Village Industries covers any item manufactured under Carpentry Industry, Blacksmith Industry and various household aluminum utensils and also utensils made of brass, copper and bell metal. It also covers electronics and computer items of different varieties.

Table 4.23 Total Number of Units and Employment in the Engineering and Non Conventional Energy industry (2001-2007)

(in numbers)

	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	1,303	251	140	1,694	7,135	1,196	1,366	9,697
2002-03	1,256	243	61	1,560	7,033	1,230	592	8,855
2003-04	1,225	233	209	1,667	6,930	1,235	1,586	9,751
2004-05	1,220	233	140	1,593	6,871	1,257	1,021	9,149
2005-06	1,220	233	148	1,601	6,515	1,034	1,329	8,878
2006-07	1,220	233	95	1,548	6,340	1,039	972	8,351

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The total number of units under this industry has declined from 1,694 in 2001-02 to 1,548 as of 2006-07. Employment under this industry show a fluctuating trend with an increase in employment in 2003-04 and then a gradual decline over the next few years up to 2007.

**Table 4.24 Production and Sales in the Engineering and Non
Conventional Energy Industry (2001-2007)**

(in Rs.Lakhs)

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	2,061.4	694.8	828.6	3,584.8	2,115.1	752.7	1,158.7	4,026.5
2002-03	2,048.4	703.5	1,400.4	4,152.3	2,052.8	755.8	1,550.4	4,359.0
2003-04	2,044.0	718.0	3,939.2	6,701.2	2,055.0	763.0	4,605.9	7,423.9
2004-05	2,036.0	745.2	2,720.4	5,501.6	2,041.5	766.2	3,056.2	5,863.9
2005-06	2,408.0	718.0	3,535.0	6,661.0	1,904.0	733.0	4,670.1	7,307.1
2006-07	1,679.0	682.0	2,392.6	4,753.6	1,859.0	690.0	2,645.1	5,194.1

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

Production accounts to 4,753 lakhs and sales is around 5,194 lakhs in 2006-07. Production as well as Sales in the Rural Engineering and Non Conventional Energy industry show a fluctuating trend over the years.

4.5.5.6 Textile Industry and Service Industry

Textile industry covers hosiery items, readymade garments, toys and dolls, embroidery and manufacturing of surgical bandages. Another group is of Service Industry, which covers laundry, barber, plumbing, servicing of electric wiring, electronics appliances, equipments, art board paintings, cycle repair, repairs of diesel engine and pump set, dhabas, tea stalls etc.

Table 4.25 Total Number of Units and Employment in the Textile and Service Industry (2001-2007)

(in numbers)

Years	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	1,885	326	126	2,337	5,240	1,851	874	7,965
2002-03	1,887	326	57	2,270	5,240	1,851	408	7,499
2003-04	1,880	319	213	2,412	5,222	1,840	1,469	8,531
2004-05	1,871	319	54	2,244	5,186	1,861	391	7,438
2005-06	1,871	319	138	2,328	5,083	1,705	1,028	7,816
2006-07	1,871	319	109	2,299	4,845	1,755	1,054	7,654

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The number of units coming under the textile and service industry account to around 2,299 units as of 2006-07. The same was around 2,337 units in 2001-02. These two industries generate employment to around 7,654 workers as of 2006-07. There is a decline in employment generated under these two sectors over the period 2001-2007.

**Table 4.26 Production and Sales in the Textile and Service Industry
(2001-2007)**

(in Rs.Lakhs)

Years	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	1,043.7	416.3	198.3	1,658.4	1,056.7	417.1	312.2	1,786.1
2002-03	1,041.0	415.0	386.6	1,842.6	1,042.0	416.0	522.2	1,980.2
2003-04	1,023.0	411.0	1,947.6	3,381.6	1,036.0	418.0	2,310.3	3,764.3
2004-05	1,018.0	432.5	620.5	2,071.0	1,022.0	437.0	722.6	2,181.6
2005-06	795.0	398.0	1,205.5	2,398.5	820.0	408.0	2,768.3	3,996.3
2006-07	750.0	394.0	1,434.3	2,578.3	770.0	397.0	1,703.6	2,870.6

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The production and sales values show a growing trend with the production increasing from 1,658 lakhs in 2001-02 to 2,578 lakhs in 2006-07. The sales also show an increase from 1,786 lakhs in 2001-02 to 2,870 lakhs in 2006-07.

4.5.5.7 Village Industries - Total

Table 4.27 Total Employment in the Village Industries Units in Kerala

(in numbers)

Years	No of Units				Employment			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	13,549	1437	553	15,539	163,593	7,352	5,123	176,068
2002-03	13,406	1418	273	15,097	162,918	7,413	2,522	172,853
2003-04	13,183	1380	868	15,431	159,300	7,122	7,038	173,460
2004-05	13,152	1380	436	14,968	158,716	7,241	3,381	169,338
2005-06	13,152	1380	656	15,188	146,998	6,509	7,120	160,627
2006-07	13,152	1380	503	15,035	144,941	6,822	5,513	157,276

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

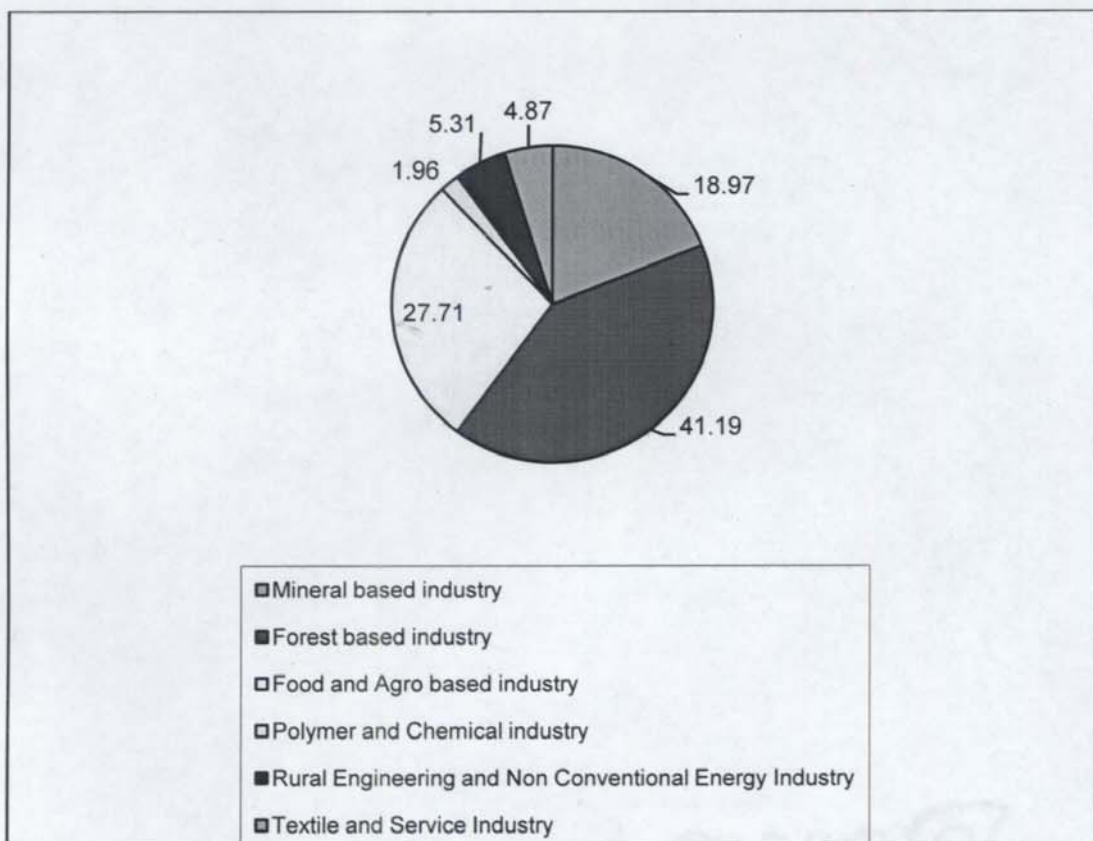
The Village Industries provide employment to around one and a half lakh people across the different industries. The total employment generated by the Village Industries has declined from 1,76,068 in 2001-02 to 1,57,276 in 2006-07. The total number of units also show a downward growth rate in the State.

It can be observed that out of the total employment generated by Khadi and Village Industries the Khadi industry account to a small share and the major employment happens in the Village Industries sector. In other words, compared to the Khadi sector, Village Industries have much higher employment potentialities. It is also observed that some of the rural industries are highly significant from the view of employment generation, even though they may not be very important in terms of their value of

production and sales. At the same time, there are many other industries which may not have high employment potential, but yield high value of production and sales and hence are important in the context of economic development.

It is however, quite unfortunate to notice that the overall employment generating capacity of these industries is declining over the years.

Graph 4.2 Percentage share in total employment of different Village Industries groups towards total Village Industries sector employment (2006-07)



Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

It is clear from the table that the Forest Based Industry provide large scale employment (41%) among the Village Industries. Among Forest-Based Industries the Handmade Paper Industry and Fibre industry generate highest employment.

This is followed by the Food and Agro Based Industries. Mineral Based Industry generates around 19% of the total employment generated by Village Industries. 5% each of the total Village Industries workers work in Rural Engineering Industry and Textile and Service Industry. Total employment in the polymer and chemical industry account to only 2% of the total Village Industries employment.

Table 4.28 Total Production and Sales in the Village Industries Units in Kerala

	Production				Sales			
	Pattern	CBC	REGP	Total	Pattern	CBC	REGP	Total
2001-02	14,507.8	3,285.0	2,083.6	22,220.1	13,714.5	5,354.2	3,416.6	22,485.3
2002-03	14,358.2	3,294.9	4,372.2	24,296.7	14,999.7	3,539.9	4,931.3	23,470.8
2003-04	14,492.0	3,422.9	13,439.0	33,933.7	15,343.0	4,195.0	15,668.1	35,206.1
2004-05	14,068.5	3,567.1	8,877.9	29,066.5	15,148.8	4,285.9	9,973.9	29,408.7
2005-06	12,868.0	3,280.0	13,359.6	31,991.3	13,355.0	3,869.8	16,966.0	34,190.8
2006-07	11,939.0	3,282.8	10,737.7	28,391.3	13,139.0	3,814.1	12,130.6	29,083.7

Source: Annual Administration Reports, Kerala Khadi and Village Industries Board

The production and sales values show an increasing trend when we look in to the overall performance of the Khadi and Village Industries in the State. The total production has increased from 22,220 lakhs in 2001-02 to 28,391 in 2006-07. The sales also have increased from 22,485 lakhs in 2001-02 to 29,083 lakhs in 2006-07.

The above chapter analyses the functioning of Khadi and Village Industries in Kerala. The role of Khadi and Village Industries in the economic development of the State is explained here. The functioning and

role of the Kerala Khadi and Village Industries is also explained here. The different varieties under Khadi sector and the different categories of Village Industries, along with the production, sales and employment is analysed in detail along with the overall performance of the Khadi and Village Industries in the State.

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Chapter 5

The Socio Economic Status of Women Workers in Khadi and Village Industries

Apart from providing more income to the family, women workers also enhance the scope of fulfillment and growth to full potential of the family members, as well as better health and education of family members. The impact of female labour force participation in non-farm employment is important since it is also considered as a method of controlling the problems of rural unemployment and poverty.

5.1 Profile of the study area

The sample strength is of 300 women workers working in the Khadi Industry as well as Village Industries in the Palakkad district.

Palakkad is one of the fourteen districts of Kerala. The district is one of the main granaries of Kerala and its economy is primarily agricultural. Agriculture engages more than 65 per cent of the workers. Around 88.9% of the districts population is rural in nature. This district is situated almost in the center of the state and has no coastal line (District Handbook-2001). According to the 2001 census, the population of the district is 26,17,072. The density of population is 584 per square kilometer, which is below the State average of 819. The district is ranked 11th in the State on this front. Decadal growth rate of population for the period 1991-2001 is 9.86%, and the sex

ratio of the district is 1068 females for 1000 males. "Rice bowl of Kerala" is the synonym for Palakkad district. The net cultivated area of the district is 284 lakh hectares, which is 64 per cent of the geographical area. All food crops together account for about 80% of the gross cropped area and in that 60% accounts to paddy cultivation. Coconut, groundnut, cotton, sugarcane, pepper, banana and cashew nut are some of the major cash crops raised in the district.

The Palakkad district continues to have a 'slow growth rate, poor quality of life and low per capita income' even after 48 years of 'development' since the formation of the State in 1956. These revelations are made in a recent survey, 'Regional development strategy for Palakkad - 2021,' conducted by the Department of Regional Planning, School of Planning and Architecture, New Delhi. The survey says that Palakkad has low status of development in comparison to the other districts of Kerala. During 2001-02, the highest growth rate in income was recorded in Thiruvananthapuram (6.21 per cent) followed by Alappuzha (5.03). Palakkad had the lowest growth rate of 4.70 per cent against the State average of 4.72 per cent.

The per capita income in Palakkad was Rs.9,726 during 2001-02 against the State average of Rs.11,046. Only Malappuram was behind Palakkad with the per capita income of Rs.7,568. Palakkad has the lowest literacy rate and the lowest level of physical and social infrastructure facilities. As per the 2001 Census, Kerala is the most literate State in the country with a literacy rate of 90.92 per cent. Palakkad has a literacy rate of

84.3 per cent and is ranked 13th in the State. In the health sector, Palakkad is in the 13th position. Malappuram holds the 14th position with respect to health in the state. The sex ratio in Palakkad is 1,068 female per 1,000 male, which is higher than the State average of 1058.

The human development index for the district reveals that most parts of the district have low to moderate levels of development in terms of social, economic and infrastructure facilities. These areas include the blocks of Chittur, Alathur, Mannarkad, Attappady, Kollengode, Kuzhalmannam and Nemmara. Palakkad is one of the lowest urbanized districts in Kerala. And it has the highest Schedule Castes and Scheduled Tribes population in the State. However, an analysis of the agriculture sector reveals that the district is well ahead of others. Though there is a decrease in the area under agriculture, productivity has increased, resulting in higher agriculture production.

5.2 Profile of the Sample Units

The Khadi units engaged in both weaving and spinning activities are taken for the study. One unit exclusively engaged only in spinning is selected with respect to the fact that the workers in this unit are blind. The Khadi units in Mannur, Vadasserri, Vadanamkurusi, Malakkulam, Pattanchery, Sreekrishnapuram and Kalluvazhi has been selected for the study.

Village Industries are selected randomly on the basis of those units coming under the Rural Employment Generation Programme, having more than 15 women workers. The village units belonging to different groups was included. Pottery units which comes under Mineral Based Industry, Paper

unit coming under the Forest Based Industry, Herbal Unit coming under the Food and Agro Based Industry, Bag manufacturing units which come under the Polymer and Chemical Based Industry and Ready Made Garments units which belong to the Textile Based Industry are included in the study. The units coming under the Rural Engineering and Non Conventional Energy Based Industry, and Service Industry are excluded due to less female employment in the units coming under these two groups.

5.3 Profile of the Sample Workers

Generally women tend to choose professions that are culturally an extension of their role as housewives and which allow them to reconcile with their family life. Most of the working women consider their role as a housewife/mother is as important as their role as a worker. Whether in the family or in the industry as earners, they play a secondary role. Their entry in to the labour market and their withdrawal from it is to a higher extent dictated by family considerations.

The following section throws light on the socio economic status of the sample respondents in the Khadi and Village Industries.

5.4 Personal Particulars

5.4.1 Caste

Caste and religion played a major role on the type of work and activities engaged by people from Vedic times in India. The caste system is one of the most important basis of social stratification.

“Caste appears to be an institution of a highly complex origin, an origin so complex indeed that in its every nature it must be limited to a single area, and that no doubt, why it is only found in India...no comparable institution to be seen elsewhere has anything like the complexity, elaboration and rigidity of caste in India” (Hutton,J.H.,1973).

In the present study it is observed that the occupations are not fully caste based. But the concentration of certain communities in certain occupations could be widely noticed. The following table explains the distribution of respondents according to caste.

Table 5.1 Distribution of the respondents according to caste

Caste	Total	Per cent of the Sample
Hindus	189	63.00
SC/ST	95	31.67
Muslims	15	5.00
Christians	1	0.33
Total	300	100.00

The Hindu community dominates (63%) in this Industry followed by Muslims (5%). Christians constitute to only less than one percent (0.33%) among the total sample. It is noted that the scheduled caste and schedule tribe constitute to around 32% of the total sample population.

5.4.2 Age

Age is an important factor with respect to work. Age is more significant among females as generally their role also changes with their age.

The household responsibilities and family status change with age. Experience and efficiency can also be related to age.

Table 5.2 Age profile of the respondents

Age	Total	Per cent of the Sample
0-15	0	0.00
16-30	141	47.00
31-45	127	42.33
46-60	27	9.00
61-75	5	1.67
Total	300	100.00

The table above shows the age profile of the sample respondents. The significant fact here is that there is no workers below age 15 indicating the total absence of child labour in this industry. Almost 90% of the workers belong to the working age group of 16-45.

There are only 9% of samples in the age group of 46-60 and only 1.7% above 60 years.

The ill health among the workers could be noted as a major factor for this less share of workers above 45 years in the Khadi Industry. The workers in the Village Industries are mostly those who enter job immediately after their studies and discontinue the job due to relocation after marriage, or birth of a child.

5.4.3 Family Size

Family is a social unit. Membership in a family is acquired generally either by birth or marriage. There is distinction between a family and a household. The term household denotes groups of people not necessarily related to each other but live under the same roof and share a common hearth. The referent of the family is kinship while the referent of the household is propinquity of residence (Kolenda, Pauline M.1968). In other words, “the family is an organized group. It’s members occupy an definite set of mutual statuses, interact according to definite behaviour patterns and are motivated by reciprocal attitudes and centiments” (Kingstey D., 1954).

The traditional joint family system is vanishing from our society and there is the emergence of the modern nuclear families. With the gradual disappearance of joint families there is also a tremendous decline in the family size. In this transformation state of family structure we can also find certain families, which can neither, be considered as a joint family nor did they fit in among nuclear families. These can be grouped as an extension of nuclear families where apart from the husband, wife and children, the grandparents, parents or siblings live together.

Around three fourth of the families have a size of four to seven members. The micro families of only three members account to around 17% in this sector indicating the upcoming of nuclear families in the society. The less than 10% share of families having a size of 8 members and above is the example of the declining trend of traditional joint families.

Table 5.3 Distribution of respondents and the family size

Family Size	Total	Per cent of the Sample
0-3	51	17.00
4-7	222	74.00
8-11	25	8.33
12 and above	2	0.67
Total	300	100.00

5.4.4 Education

Kerala is known for its literacy rates. Female education plays a major role in the overall development of any family and society. The education level of the sample respondents is given in the table below.

Table 5.4 Distribution of respondents and education status

Educational Status	Total	Per cent of the Sample
Illiterate	5	1.67
Primary	25	8.33
Secondary	51	17.00
High school	180	60.00
SSLC Pass	28	9.33
PUC	6	2.00
Degree	5	1.67
Total	300	100.00

The education level is classified as illiterates, primary, secondary, high school, SSLC pass, Pre university and degree. There is a higher share of workers coming under the classification of secondary and high school levels. SSLC pass account to around 9% of the total and there are also around 4% of the workers who have studied above class X. (10th Standard).

There are a large share of workers who have discontinued studies due to poor economic background and increasing family responsibilities. It is worth to note that most of the workers irrespective of their poor economic status has an education qualification up to high school level and the share of illiterates is only meager (1.7%). It is worth to mention that most of the blind workers among the sample (in the Khadi Industry) have qualifications of SSLC and above.

5.4.5 Marital Status

Marriage is a major transition phase in the life of a women worker. “it is a socially legitimate sexual union, begun with a public announcement and undertaken with some idea of permanence” (William N. Stephens, 1965). Marriage is associated with more household as well as social responsibilities with respect to female workers. Marital status of the female workers may affect the continuity in job in the industry as there are more chances of discontinuity in case of single workers due to relocation after marriage or social customs, family decisions or status quo affecting their working status or pregnancy and other family responsibilities affecting their work. Apart from married and single there are instances of divorcees or widows among the workers in this industry.

Table 5.5 Distribution of respondents and marital status

Marital Status	Total	Per cent of the Sample
Married	151	50.33
Single	134	44.67
Widowed	8	2.67
Divorced	7	2.33
Total	300	100.00

Around 50% of the sample respondents are married and the single constitute to around 45% of the sample population. The widowed and divorced comprise to only 5% of the total sample. Divorce is not very rare in these industries. It is observed that in the Khadi sector majority of the workers are married and the share of singles is less whereas it is the reverse in the case of most Village Industries where there are more single workers than married workers.

5.4.6 Age at the time of marriage

As marriage leads to a major transition in the life of an individual, the age at marriage matters as an early marriage of girls may lead to lesser chance for higher education and more chances of earlier motherhood. Out of the 166 married respondents 94 respondents had marriage at an earlier age in between 15-19. Late marriages (above 30 years) are seen to be very rare in this industry.

Table 5.6 Distribution of respondents according to their age at marriage

Age	Total	Per cent of the Sample
15-19	94	56.63
20-24	52	31.33
25-29	11	6.63
30-34	5	3.01
35-39	3	1.81
40 and above	1	0.60
Total	166	100.00

5.4.7 Employment of the Spouse

Employment of married women to a large extent depend on the employment and income of their spouse. The increased economic burden on the shoulders of the male member of the family lead the females to engage themselves in some economic activity as an additional member for family support.

Table 5.7 Distribution of workers according to the occupation of the spouse

Category	Total	Per cent of the Sample
Agricultural activities	51	33.77
Construction	9	5.96
Traditional Industries	32	21.19
Business/Service	47	31.13
Unemployed	12	7.95
Total	151	100.00

More than 60% of the respondent's spouses earn their livelihood from agricultural activities, construction work or traditional industries. Around 31% of spouses are engaged in some business or service sector like hotel work, tea stall, sales men, etc.

5.4.8 Occupational Status before and after marriage

Women's economic productivity is a critical factor, as the dependence of the family on their contribution to household resources increases with the poverty status of the households. (Mahapatra 2003).

The occupational status before and after marriage helps us in getting a picture about the economic burden on the shoulders of the female respondents after marriage. Out of the 166 married respondents 114 (69%) of

the workers have started working after marriage. This could be related to the poor economic situation of the family and the higher expenses of the family for rearing of kids and their education.

Table 5.8 Distribution of workers according to occupational status before marriage

Occupation status	Total	Per cent of the Sample
Started working before marriage	52	31.33
Started working after marriage	114	68.67
Total	166	100.00

5.4.9 Number of children

Nuclear families are seen to be more common among the respondents and the number of children in the family denotes more household responsibilities for the mother, as there are no extra hands to help in the daily household chores. Rearing children is an activity, which is supposed to characterize domestic groups throughout, on the whole range of human societies. Generally taking care of children is considered to be the prime responsibility of mothers. Her symbolic space is so defined by her being the power of the community who will produce children, wives and mothers to maintain its strength and might. Women contribute to this end by remaining 'chaste, circumspect and modest' (Johanna,L.,1990). The number of children in the families of the sample respondents ranges in between one to five. Families with two kids outnumber others with around 39% and those with

three and one kids have a percentage share of 23 and 16 respectively. Bigger families of four or more kids constitute to around 3% of the total.

Table 5.9 Distribution of workers and number of children

Number of Children	Total	Per cent of the Sample
0	30	18.07
1	27	16.27
2	65	39.16
3	39	23.49
4	4	2.41
5	1	0.60
Total	166	100.00

5.5 Employment and working conditions

5.5.1 Age and Employment

Age is an important aspect with respect to employment. Earlier age in employment denotes child labour. Women generally join some work basically for the support of the family. “It is uncommon for a woman in the traditional family to accept the employment outside the home” (Gore M.S.1968). We can see females in the lower income groups engaged in work outside home from years back but nowadays it is a common practice of females from middle and upper class families joining work, mainly for supporting their families or as an engagement in utilizing their free time. In this Industry the age in which majority of the respondents started work is in between 16 and 30. The workers have started work after their marriage or after completing the education up to class X. Workers who have started work

below 15 years are mainly those who are engaged in the traditional family jobs. There are no workers who have started work after the age of 45.

Table 5.10 Distribution of respondents and age at which started work

Age	Total	Per cent of the Sample
Less than15	16	5.33
16-30	230	76.67
31-45	54	18.00
45 and above	0	0.00
Total	300	100.00

5.5.2 Number of years of service

The years of service are important for any worker in any industry. More years of service is always associated with more experience and efficiency. Among the 300 sample respondents 40% of them have a service in between 1-5 years. Those workers who have experience less than one year is only around 9% where as 16% of the workers have an experience of 5-10 years. Workers having an experience of more than 25 years are around 11% in this Industry. The higher share of workers with more years of experience denotes the stability of the Industry.

Table 5.11 Percentage of respondents with years of service

No. of years	Total	Per cent of the Sample
Less than 6 months	22	7.33
6 months to 1 year	6	2.00
1-5 Years	121	40.33
5-10 years	48	16.00
10-15 years	26	8.67
15-25 years	42	14.00
25-35 years	26	8.67
35-45 years	8	2.67
45 years and above	1	0.33
Total	300	100.00

5.5.3 Productivity

The productivity in the Khadi industry varies for spinners and weavers. The measurement of spinning is on the basis of “Kazhis” or “hangs” produced by a worker whereas the measurement in weaving is in meters of cloth produced. “Kazhi” or “hangs” is the specific quantity of refined thread produced through the activity of spinning.

Spinning is done in charkas and different varieties of cotton are used. The different varieties are numbered differently on the basis of their quality. The different varieties of cotton used are numbered as 100s,150s, 33sNMC (new model charka), 70s Poly, which is a mix of cotton and polyster. The higher the number of the cotton the finer the quality of cloth produced. The respective number of cotton denotes the number of “Kazhis” that can be

produced from that rowing of cotton. For eg., a 100 number cotton rowing can produce 100 “kazhis”. The raw cotton is processed and made in to rowings by the Khadi and Village Industries Commission (KVIC) and the rowings are supplied to the various production centres. The productivity depends on the type of charka used and the time devoted per day. The productivity is more in 12 spindle charka than in 8 spindle charka. More the spindles in the charka more will be the output.

5.5.3.1 Productivity per day

Table 5.12 Productivity of workers engaged in spinning activity

Spinning	Total	Per cent of the Sample
1k to 5k	6	6.25
6k to 10k	10	10.42
11k to 15k	34	35.42
16k to 20k	34	35.42
20k to 25k	7	7.29
26k to 30k	4	4.17
31k to 35k	0	0.00
36k to 40k	1	1.04
Total	96	100.00

Note: K denotes “Kazhi”

The table above shows the productivity of the sample respondents who are engaged in spinning. The productivity per day increases with experience and also the hours of work per day. The productivity of workers ranges from less than 5 kazhis or hangs a day to 40 kazhis or hangs per day.

In the beginning stage the output will be very low and increases gradually with the experience. Productivity of around 35% workers is in between 11K to 15K and around same percentage of workers produce in between 16K to 20K. The respondents with productivity more than 20K are only around 12%.

Table 5.13 Productivity of workers engaged in weaving activity

Weaving	Total	Per cent of the Sample
1 meter	2	3.70
1.5 meter	1	1.85
2 meter	33	61.11
2.5 meter	3	5.56
3 meter	15	27.78
Total	54	100.00

Weaving is done in looms using hand. The looms are run by a single worker or by two workers together. Specific varieties of dhothies known as Kuppadam mundu, known for its different border is woven in looms worked by two workers. The average productivity of weavers account to 2 meters per day.

In Village Industries surveyed the wages are fixed or the units are run by relatives in the case of traditional industries like pottery. When wages are not based on piece rate the workers are not very conscious about the quantity they produce every day.

5.6 Wages and Earnings

5.6.1 Income Range

The economic role or contribution of female labour in reducing the rural poverty is significant because of the fact that the rural poor have no choice other than to raise their work participation by either the use of child labour or the employment of female for earning additional initial income to meet the household requirements.

The monthly income of the families of the workers in the Khadi and Village Industries ranges below 3000 rupees. The majority of the sample respondents have an income in between 500 to 1000 rupees. Respondents with income more than 2000 rupees constitute to only around 6% of the total. It is seen that there is the piece rate system of wages in the Khadi industry and few Village Industries, where as fixed wage system exists in few of the Village Industries which pay workers as per the market rate of 100 rupees or 150 rupees per month.

Table 5.14 Distribution of respondents and monthly income

Income range	Total	Per cent of the Sample
0-500	35	11.67
500-1000	164	54.67
1000-1500	51	17.00
1500-2000	30	10.00
2000-2500	7	2.33
2500-3000	13	4.33
Total	300	100.00

It is clear that managing the day-to-day expenses of a household with this meager income is very difficult with the rising cost of living. Majority of the workers are engaged in agricultural activity (mainly in paddy fields) during harvesting seasons where they are paid in kind and not cash thereby procuring rice, the staple diet for the year.

5.6.2 Savings

Savings is an important factor showing the economic status of a family. Families with savings are generally considered to be those having extra income after expenditure or those aware of the future security. The more the saving the more amount of money can be used for future investment or emergency. As observed above the workers in this industry are paid less, so is their ability to save. Around 36% of the workers do not have a saving habit where as 27% save below 100 and 29% save in between rupees 100 to 200 rupees. Majority of the workers are aware of saving practices or conscious about savings though the amount they could procure for the same is meager.

Table 5.15 Distribution of respondents and savings

Rate of saving	Total	Per cent of the Sample
Nil	109	36.33
1-100	83	27.67
100-200	87	29.00
200-300	11	3.67
300-400	5	1.67
400-500	2	0.67
500 and above	3	1.00
Total	300	100.00

Along with the amount saved it is also important where do the workers save money. Generally workers in this industry prefer saving in post office or bank as these two are more accessible to them. There are also a fair amount of respondents who use kuries and chitties as a means of saving their extra income.

5.6.2.1 Distribution of respondents and savings pattern

The distribution of the respondents on the basis of the different organizations chosen by them for their savings is analysed here.

Table 5.16 Saving pattern of respondents

Type of saving	Total	Per cent of the Sample
Nil	109	36.33
Post Office	71	23.67
Bank	61	20.33
Kuries	52	17.33
Co Operative Society	7	2.33
Total	300	100.00

Another aspect with respect to saving is the type of account. An own account denotes more freedom and self-sufficiency, where as joint account denotes less decision making power with respect to the usage of income and savings. Out of the 191 respondents who have a saving habit, 66 have a Joint Account and 125 have Account in their own names, showing their independence with respect to utilizing their income.

5.6.2.2 Distribution of respondents and type of account

Whether the respondents have accounts in any savings institutions and the type of accounts they own are analysed here.

Table 5.17 Distribution of respondents and type of account

Type of account	Total	Per cent of the Sample
Nil	109	36.33
Own Account	125	41.67
Joint Account	66	22.00
Total	300	100.00

Another aspect of savings is regularity of savings. Most of the respondents who have savings in post office or Kuries do it on a monthly basis, with the amount ranging from 30 rupees to 200 rupees per month. There are around 28% of respondents who do savings but the frequency is irregular.

5.6.2.3 Distribution of respondents and habit of saving

The respondent's habit of savings on the basis of the interval of savings is analysed here.

Table 5.18 Distribution of respondents and habit of saving

Regularity in savings	Total	Per cent of the Sample
Regular	137	71.73
Irregular	54	28.27
Total	191	100.00

5.6.3 Debt

With their meager income, hardly sufficient to meet their ends, loans are the only way out to get extra money for conducting activities like marriages, festivals, house maintenance and other such extra expenses. It was seen that loans were taken under emergencies and repayment of debt is a continuous botheration for the respondents. The workers disclosed their borrowing habits and it was clear that they had to borrow, as their incomes are insufficient for any extra activities. The respondents were stressing on their present plight and miserable condition that they cannot do away with debts. The workers are aware of the amount of debt and consequences if they are not able to repay it on time.

When we discuss about debt, the three main relevant factors are source of debt, amount of debt and the purpose of debt. These three factors are discussed below.

The respondents mainly depended on banks and local moneylenders for their borrowings. There are only few who have debt with the employer, relatives or neighbors. Around 72% of the respondents have debt and only 27.67% of the respondents are free from any debt. Out of the 72% who have debt 58% are married and in this 58% of married respondents having debt 82% have two or three kids, indicating the increased expenses and monetary needs.

5.6.3.1 Distribution of respondents and sources of loan

The different sources from where the respondents have taken loans are tabulated below.

Table 5.19 Distribution of respondents and sources of loan

Source of debt	Total	Per cent of the Sample
Nil	83	27.67
Bank	176	59.33
Local Money Lender	23	7.67
Employer	7	2.00
Relatives	6	1.67
Neighbour	3	1.00
Kudumbashree	2	0.67
Total	300	100.00

5.6.3.2 Distribution of respondents and amount of loan

The amount of loans of the indebted respondents are analysed in the table below.

Table 5.20 Distribution of respondents and amount of loan

Amount of debt	Total	Per cent of the Sample
Nil	83	27.67
less than 5000	15	5.00
5000-10,000	31	10.33
10,000-20,000	71	23.67
20,000-30,000	30	10.00
30,000-40,000	22	7.33
40,000-50,000	1	0.33
50,000-1 Lakh	30	10.00
1 Lakh-2 Lakh	13	4.33
above 2 lakh	4	1.33
Total	300	100.00

The respondent's loan amount varies from 1000 rupees to four lakhs. The respondents who have borrowings in between 10,000 to 20,000

constitute to around 24%. Those who have debt in between 5,000-10,000 and in between 20,000 and 30,000 account to 10% respectively. There are 47 respondents with a debt burden of more than 50,000 taken mainly for marriage, medical treatment and house maintenance.

Distribution of respondents and utilization of loan

The distribution of the respondents on the basis of the purpose of loan taken by them is given in the table below.

Table 5.21 Distribution of respondents on the basis of purpose of loan

Purpose of debt	Total	Per cent of the Sample
Nil	83	27.67
Agriculture	9	3.00
Purchase of Land	3	1.00
Purchase of Vehicle	9	3.00
House Maintenance	80	26.67
Marriage	21	7.00
Education of children	26	8.67
Ceremony	3	1.00
Animal Husbandry/Raw material	22	7.33
Business	6	2.00
Repay old debt	17	5.67
Medical treatment	21	7.00
Total	300	100.00

The purpose of loan varies from purchase of land to education of children. More than 26% debts are taken for house maintenance. 9% of the debts are taken for education of children mainly higher studies above class X. 14% of the debts are for marriage and medical treatments.

There are few respondents who have their own paddy cultivation and money has been borrowed for conducting various agricultural activities.

5.7 Domestic Conditions

5.7.1 Assistance in household Work

A women worker obviously plays a double role; the traditional feminine role of a housewife/mother or daughter and that of a worker. Her role as housewife/mother often takes up a lot of her physical and mental energy and leaves very little strength to invest in her role as a worker. The magnitude of the household responsibilities varies with the size of the family, the age of the children and family's status. Men perceive of themselves primarily in the role of bread winner, they undertake a minimum of domestic work and when necessary expect their women folk to earn as well as assume full responsibility of balancing budgets (Malavika, K.,1982).

With multiplicity of roles the behavior of the women worker becomes more complex in terms of expected and actual conduct and she faces a lot of confusion with regard to her role and status. Another difficult problem faced by working women is her ambivalence and sense of guilt. Not only does she try to work hard, but she also tries to prove herself as a good mother and a wife/daughter/sister. Moreover, often family provides little help to rationalize her role.

Women in general are not treated on a par with men either in the family or outside. She is subject to suffer under various authorities like political, clan, religious and masculine (Shobha, V., 1987). Majority of the respondents mentioned that they joined this industry, as there are no other alternative employment opportunities in the villages, for earning a livelihood. Working women carry the burden of housekeeping and other household activities. At the family level, women are expected to do their routine domestic chores, along with their jobs, which leaves them with no free time. Women workers have to work harder to keep a balance among job commitment, interpersonal commitment and family commitment.

Table 5.22 Assistance received in household duties

Help received in household duties	Total	Per cent of the Sample
No help received	125	41.67
Help received	157	52.33
Not applicable	18	6.00
Total	300	100.00

The time devoted by the respondents for daily household chores is given below. Women workers spend around 1 hour to 4 hours for the daily household works of cleaning the house and surroundings, cooking, washing clothes and taking care of the kids and other family members. There are around 6% of respondents who do not have any household duties. This constitutes the single women workers who have mother or other family members doing the household tasks. Respondents living in joint families are

in a better position regarding this as they get assistance in the household tasks and taking care of children from other family members.

5.7.2 Time devoted for daily household chores

The hours spend by the respondents for their daily household work apart from their work in the work place is analysed in the table below.

Table 5.23 Time devoted for daily household chores

Number of hours spend for household chores	Total	Per cent of the Sample
0 Hour	18	6.00
1 Hour	33	11.00
2 Hours	100	33.33
3 Hours	122	40.67
4 Hours	27	9.00
Total	300	100.00

Workers having daughters invariably get help from them. The attitude that male member doing household tasks is bad, still exist in the society. More than 70% of the workers have to spend two to four hours for doing the daily household duties.

5.7.3 Leisure Time

Though the respondents have to engage themselves all though the day many get leisure time in the evenings. The work in the unit stops by 4.30 PM to 5.00 PM and they are back home before 6.00. The workers have different

ways of spending their leisure time like watching TV, reading newspaper , participating in Kudumbasree or Mahilasanghs etc.

Table 5.24 Activities during leisure time

Spending Leisure time	Total number of respondents
Watching TV	160
Radio	127
Reading News Paper	108
Reading Mangalam/Manorama	97
Mahilasangh/Kudumbashree/Ayalkootam	37
Cinema	17
No leisure activities	57

Out of the 300 respondents there are around 53% spend their leisure time watching TV, listening to radio is a practice for around 42% respondents. In a highly literate state like Kerala we can see a high proportion of people using their leisure time for reading newspaper and other magazines. Around 36% of the respondents read newspaper and 32% read popular magazines like “Mangalam” and “Manorama”. Cinema is seen by only 6% as they live in remote areas where accessibility to theatres is not very convenient. Around 19% of the respondents do not have any leisure time activities, as they are busy with household duties. It is worth mention that the physically challenged especially the blind respondents find time to listen to radio and television and are aware of the day to day happenings.

Table 5.25 Total number of leisure time activities

Number of Leisure time activities	Total	Per cent of the Sample
1 Leisure activity	71	23.67
2 Leisure activities	70	23.33
3 Leisure activities	78	26.00
4 Leisure activities	19	6.33
5 Leisure activities	5	1.67
6 Leisure activities	0	0.00
No leisure activities	57	19.00
Total	300	100.00

The table above shows the number of leisure time activities each respondent has. The workers having only one leisure time activity i.e., reading newspaper or watching TV constitute to 23.67%.

Those having two leisure time activities comprise to 23.33% of the total. The workers who do not have any household responsibilities utilize their leisure time in watching TV, listening to radio, reading newspaper and magazines, watching cinema etc.

5.7.3 Details of other members in the household in the same Industry

Few of the respondents have other members of the household working in the same industry. They account to 21% of the total sample.

Table 5.26 Other household members working in the same industry

Details of other members of the household working in the same industry	Total	Per cent of the Sample
Yes	62	20.67
No	238	79.33
Total	300	100.00

The proximity to the unit could be one of the reasons for more members of the household working in the same industry. The lack of other employment opportunities induces more people in a locality to be employed in the same unit.

5.7.4 Distance of house from the work place

The table below shows the distance of house from the work place. Most of the workers live in a walking distance from the working unit. There are hardly few who travel in bus or other modes of transport to their work place.

Table 5.27 Time required to reach work place

Distance of residence from work place	Total	Per cent of the Sample
5 minutes	32	10.67
10 minutes	82	27.33
15 minutes	47	15.67
20 minutes	17	5.67
30 minutes	66	22.00
45 minutes	7	2.33
1 hour	2	0.67
Stay inhouse	13	4.33
Inside the house	34	11.33
Total	300	100.00

5.8 Housing Conditions

The housing conditions includes the type of house, number of living rooms in the households, drinking water facilities, kitchen and toilet facilities and source of energy for cooking and lighting

5.8.1 Type of house

Majority of the workers have their house with tiled roofing. Those who had huts and thatched houses have taken loan to change the roofing as it reduces the recurring expense of maintenance of roofing after each rainy season. Around 11.67% of workers live in huts, or thatched houses. There are around 9% of respondents living in concrete roofing houses. These mainly constitute the houses provided by the government for the needy, under the “laksham veedu” scheme.

Table 5.28 Type of house

Type of house	Total	Per cent of the Sample
Tiled	237	79.00
RC	28	9.33
Hut	18	6.00
Thatched	12	4.00
Sheet	5	1.67
Grand Total	300	100.00

5.8.2 Number of living rooms in the households

The number of living rooms gives us the picture of the size of the household. Around 35% of the houses have only three rooms including

kitchen. There are around 7.7% of respondents living in a single room house. Houses with number of rooms more than five rooms are generally the traditional joint family houses.

Table 5.29 Number of living rooms in the sample households

Number of living rooms	Total	Per cent of the Sample
1 room	23	7.67
2 rooms	50	16.67
3 rooms	104	34.67
4 rooms	80	26.67
5 rooms	30	10.00
6 rooms	8	2.67
7 rooms	2	0.67
10 rooms	3	1.00
Total	300	100.00

5.8.3 Kitchen and toilet facilities

Majority of the respondents house have kitchen and bathroom facilities. Around 2.67% of the sample respondents do not have a kitchen inside the house and cooking is done outside the house. The toilet facilities are absent in around 8.67% of the total sample households.

Table 5.30 Kitchen and toilet facilities in the sample households

	Kitchen	Toilet
Yes	292 (97.33)	274 (91.33)
No	8 (2.67)	26 (8.67)
Total	300 (100)	300 (100)

5.8.4 Availability of Drinking water

Source of drinking water for majority of respondents is well, which is either inside the compound of their house or common well by Panchayat. Around 15% depend on their drinking water needs from neighbors well. Pipe water is the source of drinking water for around 37.67% respondents.

Table 5.31 Source of drinking water

Source of water	Total	Per cent of the Sample
Well	142	47.33
Neighbours well	45	15.00
Pipe Water	113	37.67
Total	300	100.00

5.8.5 Source of energy for cooking and lighting

Electricity is common in most of the houses of the sample respondents and there are only around 9% of the households depending on kerosene for lighting purposes.

Wood is used commonly for cooking. Apart from wood 26 households have LPG for cooking and 5 households use kerosene for cooking along with wood.

Table 5.32 Source of energy for cooking and lighting

Source of Lighting	Total	Per cent of the Sample
Electricity	272	90.67
Kerosine	28	9.33
Total	300	100.00

5.9 Assets

5.9.1 Land and other productive assets

Majority of the respondents possess land in which they have built their house. The total area is generally restricted to few cents and only a small number of respondents have bigger size land which is used for agricultural purposes. In case of joint families the land and house is the common property of the family where the respondent has a share.

Majority of the sample respondents did not possess any type of livestock asset. Those who possess livestock like cow, goat or hen get only little income and this is an additional burden in the household duties for most of the respondents. Many of the workers do not maintain livestock due to the lack of time they have to take care of the animals feeding, cleaning milking etc.

Table 5.33 Distribution of respondents and possession of physical assets

Household assets	Total	Per cent of the Sample
T.V	111	37.00
Electric Iron	60	20.00
Sewing Machine	42	14.00
Radio	151	50.33
Fridge	0	0.00
Mobile Phone	123	41.00
Land Phone	62	20.67

The physical assets owned by the respondents include Television, electric iron, sewing machine, radio, mobile phone or land phone. In this age of growing telecommunications facilities, around 41% of the respondents have a mobile phone in their home. Around 50% of the households have radio and 37% have television in their home.

5.10 Decision making

5.10.1 Decision making status in purchase of food, education of children, social and work activities.

The status in decision-making will give a picture of the autonomy and independence a women worker has in the household activities. The degree of autonomy that women have is determined by various historical, cultural and economic factors. The Gender Empowerment measure is an index of women's participation and decision-making in the economic, political and professional spheres (Maitreyi Das, 2000). The status and autonomy of women in the present context could be better evaluated by the nature of decision taking capacity of women in the household. As a supporter of the family the workers enjoy decision making power in the purchase of household items, education of children, involvement in social activities etc. The decision making role in the household would indicate the extent to which the particular individual is able to exercise influence over family work and other matters (Giriappa, S., 1988). Empowerment implies acquisition of capabilities that make free choice possible and participates in decision-making. Empowerment allows people to become active agents in their own development (Economic Review, 2006)

Around 80% of the sample respondents have decision-making power with respect to purchase of food. As the female members are the decision makers in the kitchen, they enjoy the right of purchasing food articles.

Taking care of children is generally considered as the responsibility of mothers and thereby many of the respondents are the decision makers with respect to the education of the kids. The fathers responsibility ends with making admission in the school and the day to day education activities are taken care by the mothers. Around 91% of the respondents are responsible for the education of their kids and the joint decision is done in the rest 9%. The respondents also enjoy decision making status with respect to social activities like meeting friends, relatives etc.

With respect to work related events there is a upper hand for males (husband/brother/father) in most cases and decision by the worker in this regard is enjoyed only by 32% of the sample respondents.

Table 5.34 Decision making status

Decision making	Decision by husband/other family members	Decision by the worker	Joint decision	Total
Purchase of food	58 (19.33)	242 (80.67)	0 (0.00)	300 (100)
Education of Children	0 (0.00)	122 (91.04)	12 (8.96)	134 (100)
Social activities	3 (1.00)	297 (99.00)	0 (0.00)	300 (100)
Work status activities	205 (68.33)	95 (31.67)	0 (0.00)	300 (100)

5.10.2 Share in total household income

The relevance of female labour force participation can be understood better in the framework of “additional worker” hypothesis, which states that the low income level often compel women to participate in the work force to supplement income earned by men thereby reducing the rural poverty. The share of the respondent’s income in their total household income is explained in the table below.

Table 5.35 Share in total household income

Share in the total household income	Total	Per cent of the Sample
Less than 25%	117	39.00
25% to 50%	133	44.33
50% to 75%	31	10.33
75% to 100%	8	2.67
100%	11	3.67
Total	300	100.00

A larger share of the respondents (44%) contributes to around 25% to 50% of the total household income. Around 3.67% respondents are the bread earners of the family and there by contribute 100% of the total household income. The respondents contributing 50% to 100% comprise to a meager 5%. 39% of the sample respondents contribute to less than 25% of the total household income.

5.11 Production Process

5.11.1 The mode of recruitment

Mode of recruitment is generally through word of mouth through the workers in the industry or through friends, relatives worked or know about the unit. There are also recruitment by other ways like advertisement in paper or through the Panchayat. The following table provides details regarding the way by which the respondents joined the organization. Since the payment in most of the units is based on the work and as there are no contracts signed, employment is highly casual in this industry.

Table 5.36 The mode of recruitment

Mode of recruitment	Total	Per cent of the Sample
Nearby Unit	76	25.33
Panchayat	36	12.00
Paper	9	3.00
Self enquired	14	4.67
Through Neighbor	34	11.33
Through Friend	21	7.00
Through Relative	61	20.33
Family Job	31	10.33
Hearing about the organization	7	2.33
Others	11	3.67
Total	300	100.00

The mode of recruitment also helps us in understanding the way in which the workers joined the organization. A large number of respondents joined the unit as it is nearby and they have easy accessibility to their workplace. Few of the workers joined the units in their way of self searching for job. Many have started working in this industry as a substitute to their sister or relative leaving the unit due to marriage or other reasons.

5.11.2 System of Payment

Payment in the Khadi industry is on the basis of work done. Piece rate is the mode of payment in Khadi units, but in the case of Village Industries mode of payment is either piece rate or fixed rate. In Khadi units the workers have a passbook where their monthly production and wages are recorded. Thus both the workers as well as the management have account on the production and wages in the Khadi industry. In the case of Village Industries the entrepreneur or the owner of the organization have the records about the wages of the workers. The workers generally do not keep any record of their production or wages in most of the Village Industries surveyed.

5.11.3 Type of payment of wages

The wages are paid monthly in the Khadi units but in most of the Village Industries the payment is done once in 15 days indicating the dependence of the workers on their income to run the day to day expenses of the family.

5.11.4 Occupational diseases

Hard labour in the industries is accompanied by diseases. Majority of the workers suffer from one or the other kinds of diseases or pain. Chest pain and hand pain is more common among the spinners in the Khadi units where as the weavers suffer from leg pain and hand pain. The continuous and non-stop work and the drudgery involved in using outdated machines could be pointed as the prime reasons for this. Back pain is seen as a common health problem faced by many females above the age of 40 irrespective of the tasks they do.

Many respondents in the Khadi industry reported to have headache and the reason stated by them for this is the heat of the sheet roofing of the working unit as well as the loud sound produced by the charkas and the looms.

Chicanguniya a major disease affected the state in the recent past has its impact in this industry as well. Around 17% of the workers suffered from this disease and is still suffering from the bad effects of the disease like continuous body pain.

Table 5.37 Diseases of the sample respondents

	Chest Pain	Leg Pain	Hand Pain	Back pain	Headache	Asthma/allergy	Chicanguniya
Yes	28 (9%)	76 (25%)	71 (24%)	39 (13%)	63 (21%)	19 (6%)	52 (17%)
No	272 (91%)	224 (75%)	229 (76%)	261 (87%)	237 (79%)	281 (94%)	248 (83%)
Total	300 (100%)	300 (100%)	300 (100%)	300 (100%)	300 (100%)	300 (100%)	300 (100%)

5.11.5 Trade Union activities

Most or all workers in the Khadi industry are part of trade union. Even though most of the workers are not active workers in trade unions, they are aware of the benefits of becoming a member of trade unions. Trade unionism is not a common practice among the Village Industries.

5.11.6 Wage payment and time of work

Through the respondents it was clear that wages are paid in time and the general timing of work in this industry is eight hours a day. It was noted that the respondents had no leisure time or break in work once they start their job in the morning except for a few minutes for lunch.

5.11.7 Satisfaction level – wage and work

It was very clear from the conversation with the workers that they are satisfied with the work but not with the wages as it is too low for the effort they have to make every day.

5.12 Poverty status

The table below shows the poverty status of the workers and it is clear that more than 60% of the workers are below poverty line status.

Table 5.38 Poverty status of the sample respondents

Poverty status	Total	Per cent of the Sample
Above Poverty Line (APL)	113	37.67
Below Poverty Line (BPL)	187	62.33
Total	300	100.00

5.13 Quality of life Index

The quality of life index is calculated on the basis of the available information on the economic, housing and living conditions of the respondents.

Table 5.39 Quality of life Index

Score	Total	Per cent of the Sample
Low	65	21.67
Medium	221	73.67
High	14	4.67
Total	300	100.00

The quality of life index is calculated on the basis of the available information on the economic, housing and living conditions of the respondents. The following variables are considered for the computation of the index

- Account in any financial institution reflecting the saving habit
- Family monthly income greater than 3000
- More than three household assets
- Basic facilities in the house hold
 - Access to safe drinking water
 - Availability of sanitation facilities
- Debt of the family less than 10,000
- Education level SSLC pass and above.
- Vehicles owned

- Type of house (Tiled)
- More than three leisure time activities
- Absence of any health problem

Weightage of 10 points is given for each variable and the scorings are done accordingly. The respondents having scores up to 30 or less is considered to be having a low quality of life. Those who have score in between 30 and 70 are having a medium quality of life and respondents with score 70 and above are assumed to have a high quality of living.

Around 21.67 respondents belong to the first category of low quality of life index, the mid quality of life is enjoyed by another 73.67% and the high quality of life index is enjoyed by 4.67% of the total sample respondents.

The analysis and discussions carried out in the present chapter clearly shows the personal, cultural, social, and demographic perceptions of women in the Khadi and Village Industries. Though the wage income is very meager for the workers in this sector compared to the drudgery in their work, the working status contributes a lot on their personal, mental and economic status.

5.14 Distribution of respondents according to marital status and quality of life

The table below presents the marital status and quality of life status of the respondents. Around 35 percent of the married have a low quality of life; the share of unmarried in the low quality of life is only 8.1 percent. The medium quality of life is enjoyed by around 60 percent of the married

respondents and the same is around 88 percent among the unmarried category. 5.3 percent of married and 4 percent of unmarried respondents enjoys the high level quality of life.

Table 5.40 Distribution of respondents according to marital status and quality of life

	Married	Unmarried	Total
Low	53 (35.0%)	12 (8.1%)	65 (21.7%)
Mid	90 (59.6%)	131 (87.9%)	221 (73.7%)
High	8 (5.3%)	6 (4.0%)	14 (4.7%)
Total	151 (100%)	149 (100%)	300 (100%)

Note: Figures in bracket denote percentage.

It can be inferred that among the total respondents who are having a low quality of life, the share of married is more (81.5%) and those in the medium quality of life, the unmarried outnumber (59.2%) the married (40.7%).

The association between the marital status and quality of life is analysed by testing the hypothesis that there is no significant relationship between the marital status and quality of life. The table value of Chi square with degree of freedom 2, and level of significance 1 percent is 9.210 and the calculated value is 33.7. The calculated value is greater than the table value. Hence we reject the hypothesis that there is no significant relationship between marital status and quality of life and accept the alternative hypothesis that there is a significant relationship between marital status and

quality of life. It can be found that there is a negative relationship between the two variables of marriage and quality of life.

5.15 Distribution of respondents according to education level and quality of life

The education level and quality of life of the respondents reveal that there are zero respondents in the low quality of life among those who have passed SSLC and above. The percentage share of respondents who are having a medium quality of life is more among the total respondents who have passed SSLC and above (89.7%) and those who have failed SSLC or below (71.3%), than those in low and high quality of life. Out of the total respondents coming under the medium quality of life 84.2 percent are having education SSLC failed and below. There are only a meager 13% respondents who have an educational status of SSLC pass and above. It can also be found that there is a positive relationship between the two variables of educational level and quality of life.

Table 5.41 Distribution of respondents according to education level and quality of life

	SSLC pass and above	SSLC failed and below	Total
Low	0 (0%)	65 (24.9%)	65 (21.7%)
Mid	35 (89.7%)	186 (71.3%)	221 (73.7%)
High	4 (10.3%)	10 (3.8%)	14 (4.7%)
Total	39 (100%)	261 (100%)	300 (100%)

Note: Figures in bracket denote percentage.

The association between the educational level and quality of life is analysed by testing the hypothesis that there is no significant relationship between the educational level and quality of life. The table value of Chi square with degree of freedom 2, and level of significance 1 percent is 9.210 and the calculated value is 14.28. The calculated value is greater than the table value. Hence we reject the hypothesis that there is no significant relationship between educational level and quality of life and accept the alternative hypothesis that there is a significant relationship between educational level and quality of life.

For the purpose of analyzing the relationship between quality of life and marital status and quality of life and educational level, the following null hypothesis were framed:

- (a) There is no significant relationship between marital status and quality of life.
- (b) There is no significant relationship between educational level and quality of life.

In order to test the above hypothesis, the Chi square (χ^2), values were calculated and the table values of Chi square (χ^2), are taken at both 5% and 1% level of significance.

Table 5.42 Results of Chi square test at different levels of significance.

	x^2	Table value of x^2		Result
		5% level of significance	1% level of significance	
Marital status and quality of life	33.7	5.991	9.21	Significant
Educational level and quality of life	14.28	5.991	9.21	Significant

The calculated values of Chi square x^2 in both the hypothesis is more than the table value at 5% level of significance and 1% level of significance resulting in rejecting the null hypothesis and accepting the alternative hypothesis that

- (a) There is a significant relationship between marital status and quality of life, and it can also be noted that there is a negative relationship between these two variables.
- (b) There is a significant relationship between educational level and quality of life, and it can be found that there is a positive relationship between these two variables.

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Chapter 6

Summary of the study, Major Findings and Conclusion

The female workforce constitutes a significant portion of the total workforce. However their contribution to the socio-economic development of the society has been largely ignored over the years. The present section deals with the summary of the study followed by the major findings, conclusion and recommendations.

6.1 Summary of the Study

The Khadi and Village Industries in Kerala provide employment to around 2 lakh workers directly, and also generate employment indirectly. The present study is classified into six chapters.

Agriculture is the major sector in which Kerala women were engaged in the past. The emergence of traditional industries in Kerala such as Coir, Cashew, Beedi, Handloom, Khadi and Village Industries opened up employment opportunities to women. In most traditional industries in Kerala women have a dominant position in the workforce. The seasonal nature of employment in the agricultural sector leading to low and uncertain income, motivates many to join the traditional industries, which though provides low wages, secures their employment and also a fixed level of income.

Research instrument used for the study is questionnaire. In questionnaire method the researcher and the respondents came into contact with each other and the information was collected directly from the respondents by the researcher. The questionnaire used for the present study is provided in Appendix 3. The questionnaire is divided into ten sections.

The first section solicits the sample unit in particular. The second section provides the personal particulars of the respondents i.e., how the employees carry out their work, free time etc. The employment and working conditions, previous jobs of the respondent, occupational diseases etc are discussed in the third section. The fourth section deals with questions related to the wages and earnings of the respondent. Trade unionism and awareness is dealt in the fifth section. Assets information as well as indebtedness is discussed in the sixth section. Housing conditions and the sources of energy for lighting and cooking constitutes the seventh and the eighth sections. The ninth section deals with the decision-making status of the respondents with regard to purchase of food, consumption style, education of children etc. The tenth section provides general information about the satisfactory level of the respondents and the respondent's comments on the problems they face in the society.

The methodology in the study covers the data sources, procedure of sampling, the sample frame and the data analysis. Data sources include both primary and secondary data. Since there are no systematic maintenance of records, data collection was difficult. The selection of the sample units was

done after an extensive analysis of the district level data and discussions with the respective officials.

The present study is restricted in its scope and has certain limitations. Firstly the study is based primarily on questionnaire and the responses from the employees could be casual in nature. This may be due to lack of interest or time on their part. Secondly, the accuracy of information provided by the respondents in the personal data could not be established. Getting timely responses from the employees was a difficult task. The reason for this may be attributed to their busy schedules. Thirdly, few of the respondents were also reluctant in providing the information.

Simple random sampling technique was used to select the 300 respondents. An interview schedule questionnaire is designed for collecting primary data.

The quality of life index was computed to measure the quality of life of the respondents. To understand the relationship between marital status and quality of life and education and quality of life the Chi-Square test is being used.

6.2 Major Findings of the Study

Any study of women and work would be meaningful if we take into account the socio-economic status of female workers engaged in different occupations. This particular objective of the study is fulfilled by a discussion of socio-economic conditions of women in the Khadi and Village Industries highlighting the caste, family structure, income, housing conditions, decision making power etc.

The study has come out with informative findings on female workers with special reference to the Khadi and Village Industries. Women remained disadvantaged relative to men in terms of opportunities and treatment in labour market, unequal participation in economic decision making and greater vulnerability to retrenchment and unemployment. Though women faces certain disadvantages and discrimination in the labour market, there is no doubt that access to earned income substantially improves their position within the household, gives them greater control over the decision making on earnings and household resources and leads to an improvement in their status and position in the society.

The present study shows that main castes that are engaged in these industries are Hindus. The Scheduled caste and scheduled tribe comprise a major group of workers in this sector. Among the Hindus the Ezhava community dominate in this industry. Muslim population is meager comprising to only 5% of the total. The Christian population is also scarce comprising only to 0.33% of the total sample.

The production process and division of work in this sector revealed that the workers specialize in some specific tasks and continue the same with no change or further learning. The workers found to be not interested in learning any other work other than the one they are specialized in. This lack of interest in new learning may be related to the absence of promotion in the role in this sector with more years of experience or expertise in skills. One of the major problems faced by the Village Industries is that of loosing skilled workers, as many quit the job due to marriage after a couple of years

working in the unit. Many of the workers in the Village Industries belong to the age group 16-30.

Majority of the workers in this industry have years of service in between one year and five years. The women workers with years of experience more than 15 years are mostly found in the Khadi sector. The pension scheme for workers with service more than 30 years in the Khadi sector could be concluded as one reason for workers staying in this industry for more years. The workers with more years of service are also seen in those units that are basically the traditional family job of the worker.

The age at the time of employment, show that most of the workers started their work in between 16-30 years and very few workers started work at an earlier age less than 15 years.

The family structure is undergoing changes with the predominance of nuclear families replacing the traditional joint families. Nuclear families constitute to around 72% among the total. The personal and informal interviews with the respondents helped to understand better their family system. The families with the size of four to five members were common in the sample. A strong presence of patriarchy is felt in the family structure.

Early marriage is common among the respondents. Majority of the married respondents were 18 years or in between 15-20 years during the time of their marriage. Of the total unmarried respondents, the majority comes under the age less than 25.

The occupational status of the population has revealed that agriculture play a major role in the provision of employment to the members of the

family. There is also the presence of traditional industries as well as service sector jobs as a provision of employment for the spouse or other family members like father or brother.

It was observed that there are households with all the members excluding kids engaged in certain jobs for the livelihood. Few respondents had family members working with them in the same unit. This group constitute to around 21% of the total population. The proximity to the unit, the lack of accessibility or inconvenience working in distant places, lack of other opportunities in proximity could be inferred as few reasons for more members of a family working in the same unit.

Many respondents were skilled in agricultural work and engage themselves in agricultural activities taking off from the unit, especially during the harvest seasons. This is done by many workers to procure rice, (the staple diet) for the family. The agricultural workers are paid in kind and the quantity depends on the days they work in the fields.

One of the important factors for females engaging themselves in the Khadi sector is the flexibility of work and the possibility of doing some other tasks and taking off for few dates. Less time restrictions on the starting timings of work also helps the women workers as they can start work after completing their household tasks.

The extent to which women carry out household work in addition to their productive work is observed. The invisible nature of household work is measured on the basis of hours spend for daily household chores. It was found that two to three hours is spend by most of the workers for their daily

household tasks. Only a few workers were free from household duties as they had a better support system in their family. The numbers of hours spend for household tasks reduced with other helping hands in the family, who are basically other females in the household, (daughter, mother-in-law, sister, sister-in-law). Male members in the family are generally not involved in the daily household chores, though there are some changes seen in few households where the male members provide help in daily household tasks especially in the nuclear families.

It was observed that the workers were spending their leisure time for activities like watching television or listening to radio or spending time with relatives or neighbors or reading novels, magazines or newspaper. Thus majority of the workers are aware about the day-to-day happenings around them. Around 19% of the same population is deprived of any leisure time activity due to their busy scheduled of work at home and workplace.

The family responsibilities are found to be more among the sample respondents who are married and have children. Taking care of children is generally considered as the responsibility of the mother. The dual role of the traditional housewife and that of the worker leads to more stress among the respondents. The mothers are also generally responsible for the education of their children and family provides little help in managing these different roles. The total illiterate population is meager in this sector, highlighting their ability in the assisting in the education of their kids.

From the conversation it was clear that the workers were keen in educating their children by any means, as they are aware of the advantages

of educating children for their bright future. It is important to point out here that the workers do not have a discriminating attitude in educating their son or daughter, indicating equal opportunities of boys and girls within the family, which will reflect in the coming generations.

The average income of the workers differs from one unit to another. In the Khadi sector the wages of a worker is based on their output as the wage payment is based on piece rate. The wages earned by workers in this industry varies around Rs.200 to Rs.1500 per month and that in the Village Industries the range is in between Rs.200 to Rs.3750 per month.

The expenditure pattern of the respondent does not have a systematic plan as they do not have a steady income. It was clear that the main expenditure of the family was on food. An attempt was made to access the saving habit of the respondents. Around 64% of the respondents had savings habit either in their own account or in joint accounts. The savings pattern highlighted the preference of post-office, kuries or banks as the most preferred institutions for saving. Though around 64% had savings habit, it may be regular or irregular. The savings made in post offices and kuries were generally regular in nature though the savings amount were meager ranging from 25 rupees to 1000 rupees a month.

With the low level of income most of the families were featured by their high indebtedness. The respondents' debt amount varied from Rs.1000 to Rs.4 lakhs. The main source of debt was banks or local moneylenders. The purpose for which money was borrowed varied from purchase of land, house maintenance, to repay old debt, medical treatment, marriage etc. More

than 26% of the respondents borrowed money for house maintenance mainly for tilling the roof, so as to avoid the recurring expense of maintaining the thatched roof. Education of children, marriage, repayment of old debt are few other common reasons for indebtedness.

The housing conditions of the workers and their basic living conditions were analysed here. The structure of most of the houses was tiled and the number of rooms varied from one to ten rooms. The more number of rooms were found in case of respondents living in joined families in their ancestral houses.

Most of the respondents had a kitchen in their house. Around 26% of the sample population was deprived of toilet facilities in their households. Most of the respondents' depended on well as their source of safe drinking water. The wells were either inside their house compound or belong to the Panchayat. There were also respondents depending on their neighbors well for their needs of water. Pipe water is the source of drinking water for around 38% of the population. The problem with pipe water is that there will not be regular supply and is paid in its nature.

An index showing the grading of workers with regard to the possession of physical assets, like television, radio, electric iron, sewing machine and telephone – mobile and land line reveal that around 18% of the sample population were deprived of any household assets. Mobile phone a major breakthrough in the field of communications show an active presence in the sample households (41%) next to radio (50.3%).

The aspect of empowerment of women workers is discussed in this study by taking into consideration the decision making capacity of women in the area of buying of food items for the family, education of children, public activities and work related activities.

A large share of the respondents had a decision making right with respect to purchase of food and social activities like participating in Mahila sanghs or Kudumbashree. The husband or other male members of the family generally have an upper hand in the decisions on the working status of the women in the household. Most of the female workers continued or joined work with the permission of the husband or other male members in the family. Joint decision by husband and wife is generally done with respect to the education and future of the children. In certain cases education of children is the sole responsibility of the respondent.

It can be inferred that the higher the share of income of the respondent to the total family income, the more will be their decision-making status in the household. Around 44% of the population has a share in between 25% to 50% in the total household income and another 10% have a share of 50% to 75%. 3.67% of the total population has 100% share in the total household income, meaning that these respondents are the sole earners in the family. The element of empowerment of women is discussed in the context to which one has the power over oneself and the degree to which one can take decisions concerning ones own life and that of others. The female-headed household is a rare phenomenon in this sector.

The units generally provide full time employment. The timings are generally fixed as 9.00 to 5.00 in the Khadi industry and in Village Industries the respective owners of the industry fix the timings. Sundays are holidays in this sector along with 13 days public holidays, which are paid leaves. In Village Industries there are holidays for few of the public holidays and special leaves are given on specific festivals like Onam, Vishu etc and for regional festivals. Leaves other than the above is without pay in Khadi sector and extra leaves in Village Industries are given to the worker by the owner's personal decision.

Wages are generally paid on time and are either fixed or piece rated. The timings of wage payment is monthly or twice a month. In Khadi industries wages are paid monthly and in Village Industries wages are paid either monthly or once in every 15 days as per the decision of the owner and the workers. The workers and the management in Khadi units maintain the account of the production and wages. In the Village Industries surveyed, the owner of the firm maintains record on the production and wages and not by the worker. The system of wage cut or extra-timings are not a common practice in this sector.

The working conditions denote that most of the units have latrine facilities and washing facility. Drinking water is not available in few units surveyed due to its location in high lands, where water availability is scarce. Rest shelter, recreation facility, crèche facility etc are not available in these industries. Canteen facility is not available in Khadi units but is found in few Village Industries.

The general satisfaction level of the workers were checked and it was found that many were not satisfied with the work due to its monotonous nature and the level of hard work involved comparing to the income they receive. Few of the respondents were partially satisfied with the work and wages and only a meager percent were fully satisfied with their work. This lack of satisfaction could be better understood from the fact that more than 57% of the sample population prefers to opt some other job. The rest 43% do not prefer to opt other jobs mainly due to their immobility to far of locations because of their family responsibilities.

The quality of life index constructed to access the living and housing conditions showed that 21.6% of the population had a low quality of life. A medium quality of life is available for 73.6% of the workers and 4.8% of the sample respondents have a better quality of living.

6.3 Conclusion and Recommendations

The study with the special reference to Khadi and Village Industries in palakkad district is summed up with the following conclusions.

The Khadi and Village Industries provide employment irrespective of the educational level, age and caste classifications. Even physically challenged (blind, deaf and dumb) people can be engaged in the Khadi industry.

These industries provide a fixed income to the workers family and the work is not seasonal in nature.

The working conditions in this sector is comparatively better than the manual workers in agricultural and construction sectors – who have to work under extreme climatic conditions of sun and rain.

The timings are generally fixed and a minimum level of flexibility is accepted. This helps the women workers in managing their household duties better along with their formal employment.

The Khadi and Village Industries products are eco-friendly and in this age of global warming and increasing pollution, it can be pointed out that these units can be grouped under no pollution units.

When we compare the employment generation in Khadi and Village Industries, it is seen that compared to the Khadi sector, Village Industries have much higher employment potentialities. It is also observed that some of the rural industries are highly significant from the view of employment generation, even though they may not be very important in terms of their value of production and sales. At the same time, there are many other industries, which may not have high employment potential, but yield high value of production and sales and hence are important in the context of economic development.

Though there are some positive factors regarding the Khadi and Village Industries, it is not free from problems.

It is quite unfortunate to notice that the overall employment generating capacity of these industries is declining over the years.

One of the major drawbacks in this sector is the lack of proper marketing techniques. This sector also does not have any feedback on their products and performance for inspiring their quality of products and compete the market. In this world of highly customized products, the products of this sector cannot compete with its minimum marketing techniques. Lack of proper advertisements also limits the market size.

Workers in this sector also suffer from various occupational diseases. The women workers in this sector are prone to health hazards like allergy, back pain, respiratory problems, rheumatism and uterus problems due to continuous manual work for long hours in particular physical position.

The wages paid in the Khadi sector is on the basis of pieces rate and the amount of money wages earned by the workers in this industry is very low. The case is not very different in the Village Industries. The workers are paid low compared to the hard work in the job and the amounts of time spend by them.

There is no leisure time in between the working hours, which leads to continuous work for long hours. Many of the units do not have drinking water facilities, recreation or crèche facility in these industries.

In Khadi sector, the units are either specialized for one activity of spinning or weaving. There are also Khadi units where both these functions are undertaken simultaneously. The problem faced by the units having both functions is that workers are interested in engaging themselves in spinning, the activity that needs only a weeks training. Whereas weaving requires few months training before a worker can earn money out of that activity. This

leads to lack of availability of workers for weaving compared to that for spinning.

Many workers surveyed for the study joined the industry after their marriage, in order to support their family and for bringing up of their children. There is a high dependence of the family on the wages of these workers who have no other source of income or the income is not fixed in nature from other means. The work in these units are chosen by many as there is no other alternative jobs available in the remote areas other than agricultural work or household work. Many selected working in this sector due to their ill health in working in agricultural or construction works or proximity to the work place and status quo in working in a well-known organization.

It is found that it is general conditions of work of women workers in Khadi and Village Industries are pitiable. Though the workers suffer from various problems related to their work and management of house, it is found that most of the workers are proud about their economic contributions to their families and this helps in improving their status not only within the family but in the society as well.

Based on the findings and conclusions in the study, the following recommendations are made.

Better marketing techniques have to be applied for promoting the products. The authorities have to give more importance to the advertisement and awareness of the products which can generate more demand and thereby increasing sales, revenues, wages and employment.

The main demand by the workers in the Khadi sector is to fix minimum wages. Fixing of minimum wages helps in encouraging more workers to join this sector, thereby reducing the problem of unemployment in rural areas.

This industry is deprived to improvements and innovations due to lack of sufficient funds. Effort can be made to bring private player investment in the industry, which will automatically bring in innovation and betterment of the products for acquiring markets and thereby increasing the sales and revenue of this industry.

Innovations that are commercially viable and reducing the drudgery of workers has to be encouraged by the research and development departments of this sector. The training centers should concentrate on training more people, by providing stipends and scholarships. Training in this sector, if included in the curriculum of the respective branches of study, will automatically generate skilled workers for this industry.

The improvement in the general appearance of the existing sales outlets and starting of more sales outlets in key locations of towns and cities can automatically lead to more sales and promotion of these industries, which will automatically lead to an increase in the employment opportunities and wages in this sector.

For the development of the Khadi and Village Industries, it is recommended to have a better marketing technique. Aggressive marketing strategies need to be evolved for the Khadi and Village Industries sector to cope up with the current market demand. The products of this sector have a

huge potential in the international market. Therefore, export prospects in this sector need to be tapped in a phased manner. It is essential to encourage serious research in the field of Khadi and Village Industries, which has the capacity of generating more employment opportunities.

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Appendix - 1

Industries Under The Purview of KVIC As On 31-3-1988

- I Khadi
- II Village industries
 - 1 Bee keeping
 - 2 Cottage match, manufacture of fireworks and agarbattis
 - 3 Cottage pottery
 - 4 Cottage soap
 - 5 Playing, curing and tanning of hides and skins and ancilliary industries connected with the same cottage leather industry.
 - 6 Ghani oil
 - 7 Handmade paper
 - 8 Manufacture of canegur and khandsari
 - 9 Palmgur making and other palm products
 - 10 Processing, packaging and marketing of cereals, pulses, spices, condiments, masalas, etc.
 - 11 Manufacture and use of manure and methane gas from cow dung and other waste products (such as flesh of dead animals, night soil etc.)
 - 12 Limestone, lime shell and other lime products

- 13 Manufacture of shellac
- 14 Collection of forest plants and fruits for medical purposes
- 15 Fruits and vegetables processing, preservation and canning including pickles.
- 16 Bamboo and cane work
- 17 Blacksmithy
- 18 Carpentry
- 19 Fibre other than coir
- 20 Manufacture of household utensils in aluminum
- 21 Manufacture of katha
- 22 Manufacture of gum resins
- 23 Manufacture of lok vastra
- 24 Manufacture of poly vastra
- 25 Manufacture of maize and ragi
- 26 Manufacture of rubber goods (Dipped latex products)

Appendix -2

New Industries Entrusted to KVIC From 1988-89

- 1 Stone cutting, crushing, carving and engraving for temples and buildings
- 2 Utility articles made out of stone
- 3 Manufacture of paper cups, plates bags and other paper containers
- 4 Manufacture of exercise books, book-binding, envelop making, register making including all other stationery items made out of paper.
- 5 Khus tattis and broom making
- 6 Collection, processing and packing of forest produce
- 7 Photo framing
- 8 Pith work, manufacture of pith, mats and garland etc
- 9 Cashew processing
- 10 Leaf cup making
- 11 Products of the rexin, PVC etc
- 12 Yorn and bone including ivory products
- 13 Candle camphor and sealing wax making.
- 14 Manufacture of paper pins, clips, safety pins, stove pins etc

- 15 Manufacture of decorative bulbs, bottles, glass etc
- 16 Umbrella assembling
- 17 Solar and wind energy implements
- 18 Manufacture of handmade utensils out of brass
- 19 Manufacture of handmade utensils out of copper
- 20 Manufacture of handmade utensils out of bell metal
- 21 Other articles made out of brass, copper and bell metal
- 22 Production of radios
- 23 Production of cassette players whether or not fitted with radio
- 24 Production of cassette recorders whether or not fitted with radio
- 25 Production of voltage stabilizers
- 26 Manufacture of electronic clocks and alarm time pieces
- 27 Hoisery
- 28 Tailoring and preparation of readymade garments
- 29 Fishing nets out of nylon/cotton by hand
- 30 Laundry
- 31 Barber
- 32 Plumping
- 33 Servicing of electrical wiring and electronic domestic appliances and equipment.
- 34 Repairs of diesel engines, pump sets etc
- 35 Manufacture of stone jars, bowls etc
- 36 Crayons manufacture (writing chalks)
- 37 Slate and slate pencil making

- 38 Manufacture of plaster of paris
- 39 Sand quarrying either from river beds or fields
- 40 Manufacture of simple glazed red clay, latrine pans and other accessories
- 41 Fish canning
- 42 Vermicelli and macaroni
- 43 Wall hangings and decorative articles from jute
- 44 Carpet making of different fibres including jute
- 45 Ice cream making
- 46 Supari processing
- 47 Cocoa products
- 48 Tooth powder
- 49 Talcum powder
- 50 Household items of plastics including toys etc
- 51 Manufacture of bindi
- 52 Manufacture of mehendi
- 53 Utensil washing powder
- 54 Ink making
- 55 Scouring powder
- 56 Manufacture of fountain pen, ball pens, refills
- 57 Manufacture of nibs
- 58 Wood carving and artistic wood wares
- 59 Plastic, nylon, rubber, shell, washers, buttons etc
- 60 Fuel briquettes

- 61 Mirror manufacture/ electroplating
- 62 Motor winding
- 63 Tin smithy
- 64 Wire nets making
- 65 Iron grills making
- 66 Manufacture of electronic watches
- 67 Small printing units
- 68 Batik work
- 69 Toys and doll making
- 70 Thread balls and woolen balling, lacchi making
- 71 Embroidery
- 72 Manufacture of surgical bandages
- 73 Stove wicks
- 74 Zari and zardozi
- 75 Cotton frilling

Appendix - 3

Group wise classification of Village Industries under the Kerala Khadi and Village Industries Board

I Mineral based Industry

1. Cottage pottery
2. Lime

II Forest based Industry

3. Cottage match
4. Hand made paper
5. Cane and Bamboo
6. Agarbatty industry
7. Fibre other than coir

II Food and agro based Industry

8. Pulses and cereals processing industry (PCP)
9. Fruits and vegetables processing (FVP)
10. Ayurvedic medicine
11. Bee Keeping industry
12. Palmgur industry
13. Gur Khadsari Industry
14. Village oil

III Polymer and chemical based Industry

15. Rubber industry (PCP)
16. Cottage leather industry
17. Soap industry
18. PVC/Plastic industry

IV Rural Engineering and Non Conventional Energy based industry

19. Aluminium industry
20. Blacksmithy and Carpentry
21. Electronics industry
22. Bell metal industry

IV Textile based industry

23. Textile industry

IV Service industry

24. Service industry

Appendix-4

Interview Schedule for Field Work

I. Sample Unit Particulars

1. Name and address of the sample unit:
2. Whether a Khadi unit or Village Industry:

II. Personal Particulars

1. Name of the women worker:
2. Address:
3. Block:
4. District:
5. Age:
6. Caste:
7. Education:
8. Marital Status: Single/Married/Divorced/Widowed

9. If married:

a) Age at the time of marriage

b) Whether working before marriage, if yes, give details:

10. If not married/newly married whether intends to continue with the job after marriage/birth of child

11. Occupation of husband:

12. Total number of children:

13. Details of children

Sex	Number	Number of children attending school	Reasons for not attending school
Male			
Female			
Total			

14. Whether living in a joint family or nuclear family:

15. Total number of members in the family:

16. Below Poverty Line (BPL) /Above Poverty Line (APL)

17. Familial and demographic details:

Sl. No.	Name	Sex	Age	Relationship	Occupation	Education	Wage

18. Time devoted for daily household chores (approximate number of hours):

19. Do you get help in the household duties?

20. Approximate daily leisure time available to the women worker:

21. Leisure time activities: News Paper, Novels/Manorma/Mangalam,
Watching TV, Radio, Mahilasangh/Kudumbasree

22. Native place (Village/town/district/state):

23. If migrated then mention:

- a) Place from where migrated:
- b) Reason for migration;
- c) Occupation before migration:

24. Details of other members of the household working in the same industry:

- a) In the same unit:
- b) Other unit:

III. Employment and working conditions

1. How induced in to the present job
2. Reason for choosing this job
3. Since when working with the present employer
4. Whether working full time/part-time
5. Details regarding
 - a) Timings:

b) Hours of work:

c) Production:

6. Do you attend all phases of production:

7. If not specify your work:

8. On average how many days do you work per month:

9. Training undergone if any:

10. Age/Year and Month in which the women worker first started working in the KVI industry:

11. Details of earlier jobs held by the women worker

	Nature of the job	Period during which worked	Reason for leaving the job
1.			
2.			
3.			

12. Has the worker face dust, fumes, cotton particles etc., at her work place which may be hazardous for her health:

13. If yes, whether the employer has provided her with protective environment, or taken some measures to safeguard the health of the women worker?

14. Is the women worker suffering from any occupational disease, if yes, mention the name of the disease:

IV. Wages and earnings

1. Pay period: Daily/Weekly/Monthly
2. System of wage payment (time rated/piece rated)
3. Scale/rate per day or per piece:
4. Quantity produced per day:
5. Wage income per month:
6. Whether wages are paid in time:
7. Overtime wages if any:
8. Do you have the problem of wage cut? Yes/No If Yes on what grounds?

9. Whether any advances are given for the women worker:
10. Does the women worker gets weekly off with wages: Yes/No
11. Number of holidays received per year
12. Are you satisfied with the wage? Yes/No If not why?
13. Do you have any other source of income:
14. How much is your income share to total household income?
15. Are you happy with the job: Yes/No
16. Do you receive benefits as
 - a. Festival allowance
 - b. Subsidized loan
 - c. Medical aid
 - d. Provident fund
 - e. Credit facilities
17. Who keeps the account of your production and wages:
 - a. Only management
 - b. Only the women worker
 - c. Both management and women worker
18. Did you have increment over the years: Yes/No
19. Any fine or punishment if the product is not up to the mark? Yes/No

20. If the employer is making deductions on account of defective workmanship, on what basis deductions are made:

- a. Arbitrarily
- b. According to mutually agreed system
- c. Other methods

21. Details of expenditure

Items of expenditure and the amount spent per month

Item	Rs. Spent
Food	
Clothing	
House rent	
Education	
Transport	
Entertainment	
Social ceremony	
Religious festivals	
Rituals	
Medical and others	

V. Trade Unionism and Awareness

1. Whether member of any trade Union Yes/No
2. Awareness of beneficial legal provisions relating to women workers:
 - a. Minimum Wages Act
 - b. Equal Remuneration Act
 - c. The Maternity Benefits Act
3. Your access to reading of the newspaper/daily news in radio or T.V, awareness of political conditions.

4. Welfare facilities at work place

Facility	Availability	Whether satisfied with the facility available/Difficulties experienced in this regard
Drinking water		
Washing facility		
Latrine		
Urinal		
Rest shelter		
Canteen		
Medical		
Education of children		
Recreation facility		
Creche facility		
If there is no crèche facility, mention the arrangements made by the woman worker for looking after her children		
Other facilities		

VI. Assets and Indebtedness

1. Savings

Daily	Monthly	Annually	Irregular
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2. Savings in:

Bank	Insurance	Post Office	Chit fund
Co-operative society	Cash in hand saved		

3. Landed Property

4. Consumer Durables: T.V/Electric Iron/Sewing

Machine/Radio/Fridge/others

5. Vehicles owned: Two-wheeler/Three wheeler/ Four wheeler

6. Animals owned: Cow/Goat/Hen

7. Income:

a. Total household income:

b. By way of wages

c. Agricultural work if any

d. Rearing animals

8. Debt

a. Debt if any calculated per month

b. Source of debt: Local money lender/Employer/ Banks/ Neighbours/
Relatives

c. Purpose of debt: House maintenance/ to repay the old debt/ animal
husbandry/ medical treatment/ festivals/ marriage/ceremonial
occasions

VII. Housing Conditions

1. Own/rented/provided by the employer

2. Type of house: Hut/flat/thatched/tiled/R.C

3. Number of living rooms

4. Kitchen: Yes/No

5. Toilet facilities: Yes/No

6. Drinking water: Well/neighbours well/pipe water

7. Distance of house from the work place

VIII. Source of energy

1. Lighting: Kerosene/Electricity

2. Cooking: Wood/Kerosene/LPG/Electricity

IX. Decision Making

Are you able to make decision in the family regarding:

1. Purchase of food
2. Consumption style
3. Education of children
4. Regarding work for e.g., whether to do the work or not
5. Work of the children
6. Future of the children
7. Regarding your access to the outside world-meeting friends/going out for programme, attending religious and social ceremonies

X. General information

1. Are you satisfied with your work?
2. Do you like to opt to some other job?
3. Why did you take up this job?
4. Do you like your children to take up your job
5. What are the problems you face in the house/work place and in the society?
6. Your comments on the problems women face in the society?
7. Do you get chances to meet your friends and relatives?
8. Any other observation you want to specify