

CHAPTER VI

BANKING, TRADE AND COMMERCE

A. BANKING AND FINANCE

THE most notable development in the financial organization of the district of Bijapur during the last half a century is the gradual replacement of old private agencies of credit supply by institutional agencies. Modern joint stock banks are replacing the indigenous bankers, while co-operative credit organisations are replacing money-lenders. The active support rendered by the State in encouraging and assisting the new agencies, particularly of a co-operative character, and the establishment by the State of its own independent organizations to supplement the credit facilities provided by non-governmental agencies are the latest developments in this field. The role that is being played by the State Finance Corporation in this connection is also significant.

The State has now come to accept an increasingly active role in not only developing the private sector of the economy but also in expanding the public sector by assuming the responsibility of a pioneer and a partner in various fields of productive activity. This is reflected in the anxiety of Government to render financial assistance to agriculture and industry. Direct financial help is given by Government to the agricultural sector in the form of taccavi loans and to the industrial sector in the form of loans and subsidies. The creation of one strong, integrated, State-sponsored and State-partnered commercial institution in the form of the State Bank of India with an effective machinery of branches is yet another instance of the increasing concern shown by Government in the co-ordinated development of a net-work of credit agencies which would provide adequate credit to the rural sector on easy terms.

Savings mobilisation

Public savings are mobilised and tapped by various modes of investment made available by the development of financial, industrial and commercial institutions. Joint stock banks absorb a considerable amount of people's savings. A part of the savings is also absorbed by the insurance companies. Another important mode of investment open to the public is by way of subscribing

to the capital needs of the joint stock companies in the form of shares or interest-bearing debentures of the companies. In recent years, there are other modes of mobilising savings of the lower-income groups that are being increasingly utilised. These are the Post Office Savings Bank Deposits, Cash Certificates, National Savings Certificates, Treasury Savings Deposits, National Defence Certificates and the like. A part of the savings of the well-to-do sections of the rural and urban population finds its way into the Government coffers in the form of subscriptions to loans floated by Government.

The main agencies which provide credit facilities by advancing loans, secured or unsecured, are joint stock banks, co-operative societies, money-lenders, indigenous bankers, co-operative banks, land development banks and various corporations established and managed by Government to provide adequate credit on easy terms to different sectors.

There were 173 licensed money-lenders in Bijapur district in July 1964. In 1964, the number of agricultural credit societies was 665 and of urban co-operative banks and credit agencies, there were 66. There were two central co-operative banks. In 1965, eight joint stock banks were operating in the district. From July 1955 a branch office of the State Bank of India began functioning at Bijapur. In 1965, there were five more branches at Bagalkot, Badami, Bagewadi, Mudhol and Jamkhandi and a pay office at Indi.

The institution of money-lenders dominated the entire field of finance and credit in the district 75 years ago. A net-work of money-lenders extending from the remotest villages to big towns like Bijapur and Bagalkot enjoyed a monopolistic position in financing the economic activities of the district. The village money-lender with his petty means helped the cultivator and local artisan, while the capitalist money-lender of the town with his larger financial resources, lent money to other money-lenders having limited financial resources and to traders. There was almost a total absence of any other agency providing credit facilities. There was not a single banking company or its branch operating in the district. Neither was there any insurance company. All transactions were settled in cash and little business was done in bills or hundis. No firm did strictly banking business. Leading money-lenders of Bijapur and Bagalkot accepted deposits from relatives and friends, but only rarely large sums were deposited with them. The only gainful avenues of investment open to the public were those of Government securities and savings bank deposits. But these avenues were availed of by a very limited class of public, namely, government servants, pleaders and some money-lenders. The prevailing mode of investment traditionally popular with a large majority of people, urban as well as rural was buying

**Credit
agencies**

immovable property and gold and jewellery. Even today the main agency which provides credit facilities to the rural sector, for productive as well as unproductive purposes, is that of the village money-lenders. This age-old traditional source of credit supply still dominates the scene in spite of vigorous efforts by the State to develop and enlarge alternative sources of credit and to control and regulate the business activities of money-lenders by various legislative enactments. The report of the All-India Rural Credit Survey Committee of 1954 brought out the overwhelming preponderance of money-lenders as the most important agency catering for the financial requirements of rural India. This report revealed that more than 90% of the total borrowing of cultivators was met from non-institutional private agencies of which the most important were the money-lenders who accounted for nearly 70 %. Of the latter 45 % were professional money-lenders and about 25% formed the agricultural money-lenders' class. In comparison to this, the combined contribution of Government and the co-operatives was about 6% of the total. As for commercial banks, they contributed the insignificant proportion of 1% in the direct financing of the cultivator. The Rural Credit Survey Committee's report embodied averages for India as a whole and the figures clearly pointed out the necessity of providing adequate alternative institutional arrangement for the supply of credit to the rural population if the money-lender was to be displaced. In the villages, the village shopkeeper carried on money-lending business along with his normal trade. According to the old Gazetteer, about 3,000 to 4,000 persons were reported to be carrying on the business of money-lending in the district in the 1880s.

Debt of Cultivators

The statement below shows the debt of cultivators in the district at the end of 1959-60 classified according to credit agency, as disclosed by a rural credit follow-up survey conducted by the Reserve Bank of India.¹

<i>Credit Agency</i>			<i>Rs. per family</i>	<i>Percentage to total debt</i>
1	Money-lenders	.. ..	244	53
2	Co-operatives	.. ..	73	16
3	Government	.. ..	58	13
4	Relatives	.. ..	56	12
5	Traders and commission agents ..	.. ..	19	4
6	Others (including Commercial Banks, landlords and agriculturist-cum-traders).	.. ..	11	2
Total ..			462	100

1. General Review Report of Rural Credit Follow-up Survey, 1959-60
Reserve Bank of India, Bombay, 1962, p. 30.

It is evident that the supply of credit by institutional agencies was still lagging behind to a considerable extent and that the money-lenders and other individuals continued to have their sway over the cultivators.

The debt of cultivators outstanding at the end of 1959-60, per acre of cultivated holding, was Rs. 25. It was also estimated that the amount of debt owed was 12% of the value of land owned or nine per cent of the total value of recorded assets of the cultivators.

It was also noticed that the debt per acre among small cultivators was more than among large cultivators. A series of bad seasons had increased the debt level in the district and it was assessed that the production in that year had fallen by 20% as compared to the previous year.

The following statement indicates the proportion of families borrowing and amount borrowed from co-operatives in rural areas of Bijapur district in 1959-60, as shown by the Rural Credit Follow-up Survey conducted by the Reserve Bank of India :—

			<i>Per cent</i>
Proportion of families borrowing from co-operatives to total number of families.	All cultivators	..	19
	Big cultivators	..	30
	Large cultivators	..	29
	Medium cultivators	..	19
	Small cultivators	..	8
Proportion of families borrowing from co-operatives to total number of borrowing families.	All cultivators	..	26
	Big cultivators	..	39
	Large cultivators	..	43
	Medium cultivators	..	24
	Small cultivators	..	12
Amount borrowed from co-operatives per borrowing family.			<i>Rs.</i>
	Big cultivators	..	382
	Large cultivators	..	432
	Medium cultivators	..	220
Amount borrowed from co-operatives per family.	Small cultivators	..	138
	Big cultivators	..	115
	Large cultivators	..	126
	Medium cultivators	..	42
	Small cultivators	..	11

The Follow-up Survey also revealed that the level of average borrowings per family was higher in 1959-60 than in 1951-52 and the incidence of debt in relation to both land owned and recorded assets was also more in 1959-60 than in 1951-52. Borrowings were an important source of finance for also medical, educational and litigation expenses, financing about a third of the expenditure. There was a significant rise in the supply of credit by co-operatives

as a result of efforts at reorientation of the credit system, which began in 1949-50 in the then Bombay State.

**Regulation of
money-lending**

A large section of money-lenders was found indulging in evil practices in their business dealings by taking undue advantage, firstly, of their virtual monopoly in the field of finance, secondly, of the illiteracy, ignorance and helplessness of the villagers and thirdly, of the absence of any effective legislative control and regulation of their activities. With the enforcement of the Bombay Money Lenders Act of 1947, all persons and institutions with the exception of those expressly excluded by the Act, were required to take out licences to carry on the business of money-lending. The provisions of the Act required the money-lenders to maintain their accounts in a prescribed form and to give prescribed returns every year to their borrower and to the State. The Act also prescribed permissible maximum rates of interest to be charged by money-lenders on secured and unsecured loans, which were 9% and 12% respectively. The Act also contained provisions under which certain malpractices of the money-lenders including molestation of the debtor were declared as offences and specific penalties and punishments were laid down for the offences.

In the light of the experience gained in the working of the Act, some amendments were made to it subsequently to facilitate stricter enforcement and to remove genuine hardships caused to the money-lenders and to borrowers.

The number of money-lenders holding valid licences in Bijapur district seemed to be declining year after year till 1954; their number as on 31st July 1949 was 162 and by July 1954 it stood at 150. But by 31st July 1958, the total number of licences had increased to 174. This figure stood at 218 in June 1962 and decreased to 210 the next year. It further declined to 173 in July 1964. These licensed money-lenders are operating in all the taluks except Bilgi. Their number is relatively more in Bijapur, Bagalkot and Jamkhandi taluks. The figures of licensed money-lenders and of the amounts of loans advanced by them cannot, however, be taken as indicative of the full extent of the business of money-lenders in the district for two reasons. First, the scope of the Act excludes all loans to traders and it also excludes certain institutions from the obligation to maintain accounts in the prescribed form. Second, the number of persons who have taken out licences appears to be much smaller than those who are believed to be carrying on the business of money-lending before the Act was enforced. The money-lenders as a class did not favour the passing of the Act and it seems that when it was enforced they did not respond to it adequately. Those who have not taken out licences have either withdrawn from their business or have been carrying it on surreptitiously.

The following table shows the amounts of loans advanced by licensed money-lenders to non-traders and to traders for different periods from 1st August 1948 to 31st July 1964.

Period	Loans to traders by		Loans to non-traders by	
	Money-lenders not exempted under Section 22 of the B.M.L. Act.	Banks and Companies exempted under Section 22 of the B.M.L. Act.	Money-lenders not exempted under Section 22 of the B.M.L. Act.	Banks and Companies exempted under Section 22 of the B.M.L. Act.
	1	2	3	4
				5
		Rs.	Rs.	Rs.
1948-49	..	63,62,150	79,18,460	21,77,808
1949-50	..	57,15,727	18,23,962	22,00,850
1950-51	..	50,98,122	12,61,907	16,23,942
1951-52	..	26,27,231	..	19,05,051
1952-53	..	21,38,624	31,83,662	18,37,620
1953-54	..	29,41,684	..	19,33,018
1954-55	..	29,41,664	..	22,84,479
1955-56	..	20,25,000	3,26,30,979	20,68,895
1956-57	..	24,97,901	2,63,37,492	26,49,486
1957-58	..	36,33,842	2,71,14,343	32,56,714
1958-59	..	47,60,957	2,77,13,594	29,58,212
1959-60	..	33,59,889	2,73,40,673	35,67,992
1960-61	..	19,76,828	2,61,93,016	39,52,643
1961-62	..	15,40,513	2,67,21,591	41,15,883
1962-63	..	21,28,341	1,35,16,642	29,99,345
1963-64	..	19,69,700	1,65,37,224	29,49,343
		Total of Columns 2 and 4	Total of Columns 3 and 5	Total of Columns 6 and 7
		6	7	8
		Rs.	Rs.	Rs.
1948-49	..	85,39,958	86,81,727	1,72,21,685
1949-50	..	79,16,577	24,38,104	1,03,54,681
1950-51	..	67,22,064	17,46,517	84,68,581
1951-52	..	45,32,282	..	45,32,282
1952-53	..	41,53,076	34,59,207	76,12,283
1953-54	..	40,71,642	..	40,71,642
1954-55	..	52,26,143	..	52,26,143
1955-56	..	40,93,895	3,51,08,586	3,92,02,461
1956-57	..	51,47,387	2,95,35,822	3,46,83,209
1957-58	..	68,90,556	3,06,58,103	3,75,48,659
1958-59	..	77,19,169	3,17,43,504	3,94,62,673
1959-60	..	69,27,881	3,14,49,179	3,83,77,060
1960-61	..	59,29,471	3,03,74,325	3,63,03,796
1961-62	..	56,56,396	3,14,56,770	3,71,13,166
1962-63	..	51,27,686	1,54,52,373	2,05,80,059
1963-64	..	49,19,043	2,14,94,898	2,64,13,941

The figures in the above table indicate that the total loans advanced by money-lenders to traders and non-traders consistently show a downward trend between 1948-49 and 1956-57 with only a slight increase during 1954-55 and 1956-57. The loans

advanced by the money-lenders to non-traders show only little variations till 1956-57. The loans advanced to traders by the same class of money-lenders show a marked decline with, again, a little rise during 1954-55 and 1956-57. But this latter decrease can also be attributed to the fact that a number of licensed money-lenders have refused to furnish information regarding loans advanced by them to traders. From 1956-57 to 1961-62 loans to non-traders by money-lenders continuously increased except a short-fall during 1958-59, so much so that between 1955-56 and 1961-62, loans advanced to non-traders were almost doubled; but during the next two years, there was a marked decline. Regarding loans advanced to traders by money-lenders, though there was an increase after 1955-56 up to 1958-59, it dwindled afterwards. So far as loans advanced by banks and companies to traders and non-traders are concerned, it would be seen that the amount of loans to traders is fairly large as compared to loans advanced to non-traders. This warrants the inference that the advances of such companies and banks are at present mainly confined to traders.

The maximum rates of interest permitted by the Act originally were 6% on secured loans and 9% on unsecured loans. But since July 1952, Government fixed these rates at 9% and 12% respectively. In spite of all the measures adopted for the effective enforcement of the Act, it was not possible to check completely the evasions of the Act by means of various subterfuges. It appears from the annual reports on the administration of the Act that owing to inadequacy of inspecting staff it was not easy to detect cases of illicit money-lending. In many cases, the debtors themselves colluded with the money-lenders and agreed to their terms, however harsh and unreasonable they may be. This collusion of the borrower with the money-lender can be explained mainly by the fact that there are no other readily available alternative sources of credit to which the borrower can turn.

Categories of money-lenders

The money-lending class as such includes a variety of individuals. Only a few of them do money-lending business exclusively and the rest combine with money-lending some other business both in towns and villages. The Bombay Provincial Banking Enquiry Committee (1929-30) in its report, lists the following among indigenous credit agencies apart from indigenous bankers who were classed separately:—

1. Village money-lenders.
2. Town money-lenders.
3. Land-owner or agriculturist money-lenders.
4. Goldsmiths and dealers in ornaments who specialise in loans secured by pledge of ornaments.
5. Shroffs and other persons dealing in *hundis*.
6. Merchants, commission agents and *dalals*.

A large part of the money-lending business goes to finance agriculturists, the majority of whom are frequently in need of money for production as well as consumption purposes. Moveable property like gold and silver, promissory notes, government securities or industrial papers are the most common forms of security accepted. But for some reasons, including recent legislation on tenancy, debt adjustment and money-lending, money-lenders do not now favour immoveable property as security. Sometimes, they also advance loans on personal security to persons intimately known to them. Loans to agriculturists are often made in kind and also repaid in kind.

It would appear that the money-lenders may continue to play a significant role in the credit structure of the rural areas for some years to come unless the co-operative movement spreads much more vigorously than it has done so far. All the same, their importance is gradually on the decline, particularly due to stringent legislative provisions for the regulation of their activities and also legislation for debt relief and land tenures. All those who have examined the question of rural credit have come to the conclusion that the money-lender cannot be permitted to enjoy the pre-eminent position in the picture of rural credit that he has enjoyed till now. The report on the subject of rural credit, namely, All-India Rural Credit Survey Committee Report published in 1954, expressed similar views on the subject.

The Mysore Money-lenders Act, 1961 and Rules, 1965, came into force with effect from 1st April 1965. The maximum rates of interest fixed by the Government are 15 per cent on secured loans and 18 per cent on unsecured loans.

Even before the Bombay Money-lenders Act had been passed, the then Government of Bombay had brought into operation on a small-scale the Bombay Agricultural Debtors' Relief Act, passed by the Legislature in 1939. It was enacted with a view to reducing the aggregate indebtedness of genuine agriculturists so as to bring it reasonably within their capacity to repay. Compulsory scaling down of debts and subsequent arrangements for the repayment of the adjusted amounts in manageable instalments constituted the essence of the scheme. The Act was first applied to one or two selected taluks of Bijapur district. In the light of its working in those areas, it was amended in 1945, and was applied to selected taluks of all districts of the erstwhile Bombay State except Bombay Suburban district, and from February 1947 it was applied to the whole of the State.

**Agricultural
Debtors' Relief
Act**

The application of the Act has been restricted to debts not exceeding Rs. 15,000 in any individual case. Though the Act has been in force since 1947, the number of applications received

from the debtors and the creditors appears to be rather small. One of the important reasons for this is the tendency amongst the agriculturists—debtors and creditors—to settle debts or claims amicably among themselves without referring the matter to the courts. Another explanation of this may be that in some cases agriculturist debtors did not wish to antagonise their creditors by submitting their applications to the courts for adjustments of debts, lest they would not get timely finance from them whenever required in future.

It is generally believed that along with debt relief there was also a shrinkage of credit. A more specific problem was the 'adjusted debtor' himself; for him it was not so much a case of contraction as of elimination of all private credit. The very process of adjustment involved so many restrictions on the alienability of his property that no lending agencies could be expected to be predisposed favourably towards him. Meanwhile, the adjusted debtor had to raise crops and, before that, raise money for the crops. His plight was so serious that the Government of Bombay instituted for him a system of 'crop loans' which in the main were provided by co-operatives on the basis of a part being guaranteed by the Government. The system of crop finance was primarily intended to fill the vacuum in the credit facilities caused mainly by the legislation relating to debt relief, money-lending and land tenure passed in recent years. The principal agencies which were recognised for grant of crop or seasonal finance are :—

- (i) Co-operative Societies.
- (ii) Revenue Department for taccavi loans.
- (iii) Grain depots.
- (iv) Persons authorised under section 54 of the Bombay Agricultural Debtors' Relief Act.

The loans advanced under this scheme are secured by the crops grown by the debtors. These advances are essentially short-term in character and the chief object is to finance the agricultural operations connected with the raising of crops, at reasonable rates of interest. The societies have been advised to keep a watch over the crops and to effect prompt recoveries.

The following seventeen places in the district have banking offices other than co-operative banks, namely, Amingad, Bagalkot, Badami, Bagewadi, Banahatti, Bijapur, Guledgud, Hungund, Ilkal, Indi, Jamkhandi, Mahalingpur, Mudhol, Rabkavi, Talikot, Terdal and Tikota. The following table gives the names of the banks having offices in each of these places :

*Bijapur District Banking Offices (other than Co-operative)
in 1965.*

(All the offices are Branch Offices except those of the Punjab National Bank Ltd., at Bijapur and the State Bank of India Ltd., at Indi, which are pay offices).

<i>Sl. No.</i>	<i>Names of Places</i>	<i>Names of the Banks</i>
1.	Amingad	.. Sangli Bank Ltd.
2.	Badami	.. Syndicate Bank Ltd.
3.	Do	.. State Bank of India Ltd.
4.	Do	.. Belgaum Bank Ltd.
5.	Bagalkot	.. State Bank of India Ltd.
6.	Do	.. Syndicate Bank Ltd.
7.	Do	.. Canara Bank Ltd.
8.	Do	.. Sangli Bank Ltd. } two branches
9.	Do	.. Sangli Bank Ltd. }
10.	Bagewadi	.. State Bank of India Ltd.
11.	Banahatti	.. Bank of Karnatak Ltd.
12.	Bijapur	.. State Bank of India Ltd.
13.	Do	.. Sangli Bank Ltd. }
14.	Do	.. Sangli Bank Ltd. } two branches.
15.	Do	.. Canara Banking Corporation Ltd.
16.	Do	.. Bank of Karnatak Ltd.
17.	Do	.. Syndicate Bank Ltd.
18.	Do	.. Canara Bank Ltd.
19.	Do	.. Punjab National Bank Ltd.
20.	Do	.. Belgaum Bank Ltd.
21.	Guledgud	.. Belgaum Bank Ltd.,
22.	Do	.. Syndicate Bank Ltd.,
23.	Hungund	.. Syndicate Bank Ltd.
24.	Ilkal	.. Sangli Bank Ltd.
25.	Do	.. Syndicate Bank Ltd.
26.	Indi	.. State Bank of India Ltd.
27.	Jamkhandi	.. State Bank of India Ltd.
28.	Do	.. Bank of Karnatak Ltd.
29.	Do	.. Syndicate Bank Ltd.
30.	Mahalingpur	.. Bank of Karnatak Ltd.
31.	Mudhol	.. Belgaum Bank Ltd.,
32.	Do	.. State Bank of India Ltd.,
33.	Rabkavi	.. Sangli Bank Ltd.
34.	Do	.. Syndicate Bank Ltd.
35.	Talikot	.. Bank of Karnatak Ltd.
36.	Terdal	.. Sangli Bank Ltd.
37.	Tikota	.. Sangli Bank Ltd.

Formerly, four banks, namely, Union Bank of Bijapur and Sholapur Ltd., United Bank of Karnatak Ltd., Shree Guru Govind Specie Bank Ltd., and Shree Jadeya Shankarlinga Bank Ltd., were having their registered offices in the district before their recent merger with other banks. The Union Bank of Bijapur and Sholapur Ltd., was the oldest banking institution in the district and later the then existing Corporation Bank, Ltd., which was established in 1936 was amalgamated with it. It had three branch offices in Bijapur district, at Bagalkot, Ilkal and Tikota. This Bank was merged with the Sangli Bank Ltd, in 1964.

The United Bank of Karnatak Ltd., Bagalkot, was established in 1935. It had a branch office at Bijapur. This Bank was also absorbed in the Sangli Bank Ltd., in 1964.

The Shree Guru Govind Specie Bank, Ltd., Bijapur, was established in 1936. With a view to ensuring complete harmony of outlook between the shareholders and the management through the device of limited membership, the bank was registered as a private limited company under the Indian Companies Act. It had no other office except the one at Bijapur. This Bank was also amalgamated with the Sangli Bank Ltd., recently.

The Shree Jadeya Shankarlinga Bank, Ltd., Bijapur, was started in 1948. It was catering for the financial needs of traders and industrialists, particularly those with meagre capital and had no other office in the district. This Bank was merged with the Belgaum Bank Ltd., in 1964.

In 1965, none of the banks functioning in Bijapur district had its registered office in the district. The banks which carry on banking business in the district through their offices are the Syndicate Bank Ltd., Canara Bank, Ltd., Canara Banking Corporation, Ltd., Belgaum Bank, Ltd., Bank of Karnatak, Ltd., Punjab National Bank, Ltd., Sangli Bank Ltd., and the State Bank of India Ltd. The State Bank of India has now (1965) six branches in the district, at Bijapur, Bagalkot, Jamkhandi, Badami, Mudhol and Bagewadi and a pay office of this bank has also been recently opened at Indi. New branches of this Bank are proposed to be opened shortly at Muddebihal and Sindgi.

CO-OPERATIVE BANKS AND SOCIETIES

There are two district co-operative central banks in the district, one for industrial co-operatives and the other for agricultural and other non-industrial societies.

The District Co-operative Central Bank, Bijapur

This bank is the central financing agency of the district for all co-operative credit societies except industrial co-operatives. It also serves as a balancing centre, accepting the surplus funds of one society and making them available to another which requires more capital. The funds of the Central Bank consist of share capital, reserve and other funds, deposits and loans or overdrafts from banks. Share capital and reserve funds form the major portion of the owned capital on the basis of which deposits are tapped and loans raised. Besides deposits, the Central Bank raises the major portion of loan from the Reserve Bank.

Financing of agricultural societies within its area of operation is the main function of the bank. This bank was registered in July 1919 under the Co-operative Societies Act of 1912. The membership of the bank is open to all societies registered under the Co-operative Societies Act and individuals residing in Bijapur district.

The bank began its career with a modest share capital. During the last 46 years, the bank has registered considerable progress in its working and at the end of June 1964, there were 2,377 members, consisting of 786 societies and 1,591 individuals. The bank has eleven branch offices (excluding the head office) and seven pay offices. The branch offices are located at Bagalkot, Bagewadi, Badami, Bilgi, Hungund, Indi, Jamkhandi, Muddebihal, Mudhol, Sindgi and Terdal. The pay offices are located at Amingad, Banahatti, Guledgud, Ilkal, Kerur, Nalatwad and Talikot. The position of the Bijapur District Central Co-operative Bank during the years 1962-63 and 1963-64 was as follows :—

Particulars	Years	
	1962-63	1963-64
(1) Number of members :		
(i) Societies	771	786
(ii) Individuals	1,621	1,591
(2) Share Capital from :	Rs.	Rs.
(a) Government	1,32,000	5,00,000
(b) Societies	11,16,000	12,23,000
(c) Individuals	4,03,000	3,97,000
(3) Reserve fund	4,59,000	4,99,000
(4) Bad debt reserve	88,000	1,12,000
(5) Other reserves	3,41,000	4,60,000
(6) Total deposits	1,46,65,000	1,51,57,000
(7) Total borrowings	80,27,000	83,35,000
(8) Total liabilities	2,56,51,000	2,77,02,000
(9) Total assets	2,58,06,000	2,78,79,000
(10) Working capital	2,52,33,000	2,65,54,000
(11) Loan operation :		
(a) Loans advanced to :		
(i) Societies	1,57,16,000	2,24,65,000
(ii) Individuals	3,79,000	2,44,000
(b) Loans recovered :		
(i) From Societies	55,27,000	2,17,91,000
(ii) From Individuals	7,39,000	2,44,000
(c) Loans outstanding :		
(i) Societies	1,56,95,000	1,63,69,000
(ii) Individuals	3,79,000	2,69,000
(d) Over-dues	65,97,000	36,60,000
(e) Percentage of overdues to outstandings	41	22
	per cent	per cent
(12) Profits	1,55,000	1,77,000
(13) Rate of dividend	5 per cent	5 per cent

The position of deposits held by the Bank was as under :

I. Current deposits		
(i) Individuals	11,39,429	3,75,809
(ii) Societies	9,95,468	17,02,946
II. Savings :		
(i) Individuals	37,62,108	37,87,704
(ii) Societies	11,29,738	15,43,920
III. Fixed deposits		
(i) Individuals	47,08,821	49,82,584
(ii) Societies	10,62,000	12,23,100
IV. Cumulative deposits	37,518	34,860

The foregoing figures show that the Bank is making a steady progress. There has been an increase in share capital, working capital, reserve and other funds and deposits. In accordance with the policy of the Bank, business with individual members is being restricted and hence the figures in respect of this category of members have shown a downward trend.

**District
Industrial
Co-operative
Bank, Ltd.,
Bagalkot**

With a view to financing weavers' co-operative societies, other industrial co-operatives, artisans working in various fields of industrial activities, small-scale industrialists and others engaged in development of industries, the Bijapur District Industrial Co-operative Bank Ltd., was established in 1949 with its headquarters at Bagalkot. The Bank started with a share capital of Rs. 88,600. Its authorised share capital in 1965 was ten lakhs of rupees. It had a paid-up share capital of nearly six lakhs of rupees. The Government's share contribution is to the tune of Rs. 3,44,000. The Government has also advanced interest-free working capital loan of nearly Rs. 9,75,000 out of which a sum of Rs. 1,75,000 is earmarked for non-weavers' industrial co-operative societies. Interest-free marketing and share capital loans amounting to over a lakh of rupees have also been given to the Bank by the Government.

**Urban
Co-operative
Banks and
Societies**

The urban co-operative banks aim at financing the urban middle classes. Loans on reasonable terms are given. These banks undertake general banking business also. There were, in June 1964, sixteen such banks in Bijapur district, namely,

1. Shri Siddheshwar Urban Co-operative Bank, Ltd., Bijapur.
2. Bijapur District Government Officials' Co-operative Bank, Ltd., Bijapur.
3. Shri Mahalakshmi Urban Bank, Ltd., Bijapur.
4. Deccan Urban Co-operative Bank, Ltd., Bijapur.
5. Chadchan Urban Co-operative Bank, Ltd., Chadchan.
6. Muddebihal Urban Co-operative Bank, Ltd., Muddebihal.
7. Karnatak Urban Co-operative Bank, Ltd., Muddebihal.
8. Talikot Urban Co-operative Bank, Ltd., Talikot.
9. Jamkhandi Urban Co-operative Bank, Ltd., Jamkhandi.
10. Rabkavi Urban Co-operative Bank, Ltd., Rabkavi.
11. Basaveshwar Urban Co-operative Bank, Ltd., Bagalkot.
12. Bagalkot Urban Co-operative Bank, Ltd., Bagalkot.
13. Raddi Co-operative Bank, Ltd. (Branch Office), Bagalkot.
14. Mudhol Urban Co-operative Bank, Ltd., Mudhol.
15. Guledgud Laxmi Urban Co-operative Bank, Ltd., Guledgud.
16. Hungund Shri Vijaya Mahantesh Urban Co-operative Bank, Ltd., Hungund.

The urban co-operative banks at Bijapur, Bagalkot, Jamkhandi and Mudhol have made considerable progress in enhancing credit

facilities. Urban co-operative credit societies are mainly engaged in supply of cheap credit to the members. A few of them have recently undertaken supply of consumer goods also. The following statement will elucidate the working of these urban co-operative institutions :—

Particulars	1959-60	1960-61	1961-62	1962-63	1963-64
(1) No. of institutions	55	57	58	58	66
(2) No. of members ..	16,608	16,414	18,119	18,000	19,645
	Rs.	Rs.	Rs.	Rs.	Rs.
(3) Share capital	21,53,719	23,83,165	26,09,395	28,41,000	31,55,000
(4) Reserve fund and .. other funds	11,54,384	14,77,981	16,18,831	17,39,000	18,71,000
(5) Deposits ..	86,23,232	87,63,037	95,21,576	89,00,000	98,28,000
(6) Loans advanced ..	2,91,20,915	3,19,69,090	3,34,16,309	2,19,61,000	3,00,18,000
(7) Loans recovered ..	2,82,20,915	3,12,04,739	3,34,95,863	2,13,74,000	2,96,92,000
(8) Loans out-standing ..	76,96,619	34,59,500	83,79,946	89,66,000	92,92,000
(9) Overdues ..	6,26,495	6,44,322	9,20,377	10,11,000	11,42,000

Land development banks give long-term loans to cultivators. It is not feasible for primary co-operatives to undertake supply of this type of credit, mainly because they themselves obtain funds on medium and short-term basis. In view of the great need to step up agricultural production, the importance of such long-term credit has been increasingly felt. **Land Development Banks**

As on 30th June 1964, there were seven land development banks in the district. Recently two more such banks have been organised. The following figures indicate the position of these banks :—

Particulars	1960-61	1961-62	1962-63	1963-64
	Rs.	Rs.	Rs.	Rs.
(1) Paid-up share capital ..	24,625	51,850	68,000	95,907
(2) Borrowings ..	1,95,641	2,83,746	3,98,000	7,77,458
(3) Working capital ..	2,21,367	3,38,144	4,60,000	8,76,365
(4) Loans advanced ..	1,05,181	1,01,912	1,27,000	3,87,656
(5) Loans recovered ..	7,620	11,299	18,000	29,689
(6) Loans outstanding ..	1,96,052	2,86,375	4,11,520	7,69,487
(7) Profit ..	15	1,931	7,000	2,025

It can be seen from the above figures that the land development banks are making steady progress. There is a great demand for long-term loans.

**Co-operative
Agricultural
Credit
Societies**

Credit societies constitute the bulk of co-operative societies in this district and are engaged in the work of supplying credit for short and intermediate-term finance to agriculturists. The area of operation of a society is usually a single village but smaller villages in the neighbourhood are included within its jurisdiction. Membership is open to all local residents who satisfy certain conditions laid down in the bye-laws. The liability of members is unlimited.

Funds are raised by entrance fees ; issue of shares ; deposits from members and from non-members residing within a radius of five miles of the village ; loans and overdrafts from other co-operative societies or financing institutions ; and lastly donations.

Agricultural credit societies accept savings deposits and fixed deposits for a period of not less than six months. Savings deposits are accepted from members on the conditions laid down by the bye-laws. The rate of interest is fixed by the managing committee, with the previous approval of the central financing agency.

Loans are granted for agricultural and domestic purposes. Short-term loans are provided for purposes of meeting expenses on seed, manure and weeding. Intermediate-term loans are granted for purchase of bullock carts, for ceremonial expenses and for payment of past debts and works of land improvement. There is a limit fixed to the normal amount of credit that may be granted to each member and loans beyond this limit are generally not granted. The total outstandings by way of loans cannot exceed ten times the amount of shares standing to the credit of the borrowing member. This is true only with the case of salary-earners' societies. But in the case of agricultural credit societies, the members are advanced loans up to a maximum of one-sixth of the total value of the immoveable assets or the limit prescribed in the bye-law. But the usual limit is between Rs. 300 and Rs. 500. Loans are given mostly on the personal security of the borrower supplemented by two good sureties who must be members of the society. Loans are generally given in cash, but where the purpose of the loan permits and a suitable organisation exists, they are advanced in kind. The rate of interest charged by the agricultural credit co-operative societies depends upon their financial position as also on the rate at which they borrow from the financing agency. Although these societies are primarily agencies for supplying credit, a few other points of contact with the economic life of the members have been provided by the recent trends in the evolution of the co-

operative movement. There has been a steady and all-round progress in the working of the societies both quantitatively and qualitatively. Increase has been noticed in membership, share capital and working capital. Recoveries have been satisfactory. Deposits in the rural societies show a downward trend due to the fact that they gave up distribution of food grains and other controlled commodities. The total number of agricultural credit societies in the district in June 1962 was 642, the corresponding number for the previous year being 628. Their number had further increased to 665 by end of June 1964; out of these, 26 were large-sized societies, 291 small-sized ones and 348 were service co-operatives. These institutions constitute the base of the co-operative credit structure in the district. All the villages of the district have been now brought into the co-operative fold.

In the light of the recommendations of the All-India Rural Credit Survey Committee, 26 large-sized agricultural credit societies have been organised in the district. The area of operation of this type of society extends over the villages which lie within a radius of five miles from the headquarters of the institution. Each large-sized society is expected to cater to the needs of about 500 families by advancing loans to the extent of a lakh of rupees and undertaking supply of agricultural and domestic requisites. Share capital contribution to the extent of Rs. 10,000 has been granted to every one of these societies by the Government. Financial assistance for construction of godowns has also been made available. A few societies have also taken steps to help in improving the breed of livestock, in addition to normal functions. The large-sized society at Hungund has undertaken marketing of agricultural produce of its members. A brief account of these 26 societies indicating their working during the year 1963-64 is given below :—

**Large-sized
Societies**

(1) No. of members	..	..	9,414
			Rs.
(2) Share Capital	..	..	8,17,425
(3) Reserve and other funds	..	..	3,50,127
(4) Deposits	..	..	1,20,292
(5) Borrowings :			
(a) Government loan	..	..	1,10,188
(b) Bank loan	..	..	20,17,584
(c) Other loans	..	..	6,393
(6) Working Capital	..	..	34,24,000
(7) Loans issued	..	..	18,84,823
(8) Loans recovered	..	..	18,72,488
(9) Loans outstanding	..	..	24,59,541
(10) Loans over-due	..	..	9,30,478
(11) Agricultural requisites supplied	..	..	1,04,508
(12) Domestic requisites supplied	..	..	4,11,142

Small-sized Societies

The small-sized societies were organised long before the scheme for establishment of service co-operatives was evolved. There were 266 small-sized societies by the end of June 1965 and these are now proposed to be converted into service co-operatives by amalgamation or by relaxing the tests prescribed for organisation of service co-operatives.

In addition to giving credit facilities, these co-operatives have engaged also in supply of chemical fertilizers, improved seeds, agricultural implements and domestic requisites. They own improved agricultural implements and hire them out on easy terms. They maintain also plant protection equipments. The following statement depicts the position of these societies for the year 1963-64 :—

(1) No. of members	..	..	34,259
			Rs.
(2) Share capital	..	..	12,39,589
(3) Reserve and other funds	..	..	4,25,947
(4) Deposits	..	..	39,420
(5) Borrowings from :			
(a) Banks	..	..	38,10,875
(b) Others	..	..	10,626
(6) Working Capital	..	..	55,16,457
(7) Loans advanced	..	..	24,07,445
(8) Loans recovered	..	..	23,29,047
(9) Loans outstanding	..	..	45,84,911
(10) Loans over-due	..	..	28,12,817
(11) Profits	..	..	2,35,527

Service Co-operatives

The committee on co-operative credit stressed the need for determining the size of primary co-operatives on the basis of economic viability alone and not on other considerations. It recommended that, ordinarily, the jurisdiction of a village panchayat covering a population of 1,500 to 5,000 should be the area of operation of a service co-operative. A membership of about 100 to 600 agriculturists and a lending business of about Rs. 20,000 to a lakh of rupees are estimated to make a service co-operative economically viable.

Pursuant to the resolutions of the National Development Council and recommendations of the State Ministers for Co-operation, 383 service co-operatives have been established in the district either by fresh organisation or by reorganisation of primary societies. The newly organised service co-operatives are of the limited liability type. But in a few cases of reorganised societies, unlimited liability has been continued. However, it is proposed to convert more societies from unlimited liability type to limited liability pattern. The service co-operatives are playing a significant role by helping to carry out panchayat agricultural production plans. They supply timely finance and various agricultural

requirements to the farmers. The figures below will illustrate the working of these institutions for the year 1963-64 :—

(1) No. of members	..	..	53,473
			Rs.
(2) Paid-up Share Capital	..	..	26,73,200
(3) Reserve and other funds	..	..	10,86,266
(4) Deposits	..	..	1,12,233
(5) Borrowings from :			
(a) Government	..	..	87,337
(b) District Co-operative Central Bank	..	..	92,25,936
(c) Others	..	..	5,798
(6) Working Capital	..	..	1,31,91,034
(7) Loans issued	..	..	66,92,337
(8) Loans recovered	..	..	57,92,756
(9) Loans outstanding	..	..	99,21,284
(10) Loans overdue	..	..	47,62,353
(11) Agricultural requisites supplied	..	..	4,12,277
(12) Domestic requisites supplied	..	..	14,36,507
(13) Profits	..	..	5,65,493

The statement given below indicates coverage by agricultural credit societies in the rural areas of Bijapur district in 1959-60, as disclosed by the Rural Credit Follow-up Survey conducted by the Reserve Bank of India :—

Number of members per 100 rural families	..	....	..	31
Percentage in increase in membership between 1957-58 and 1959-60	..	....	..	25 per cent
Percentage of cultivating families reporting membership of Co-operatives	..	....	..	45 per cent
Borrowing from Co-operatives	..	Per cultivating family	..	Rs. 58
		As percentage of total borrowing	..	19 per cent
Debt owed to Co-operatives at the end of June 1960.	..	Per cultivating family	..	Rs. 73
		As percentage of total debt	..	16 per cent
Proportion of value of produce sold through Co-operatives	..	....	..	8 per cent

Shortage of accommodation facilities is a main problem especially of the urban population. To help solve this hardship, 48 housing societies have been organised, out of which 35 are meant for people belonging to backward classes and the remaining for other people of low income category. These institutions obtain their funds mainly by way of shares, loans and subsidies. The Government has undertaken to provide sites free of cost and loans at low rates of interest to the backward class housing societies.

**Housing
Societies**

The statement below indicates the working of the housing co-operatives in the district :—

<i>Particulars</i>	<i>1959-60</i>	<i>1960-61</i>	<i>1961-62</i>	<i>1962-63</i>	<i>1963-64</i>
1. No. of societies ..	37	39	43	46	48
2. No. of members ..	1,412	1,473	1,796	1,943	2,142
	Rs.	Rs.	Rs.	Rs.	Rs.
3. Share capital ..	62,745	71,845	85,310	96,000	1,16,160
4. Borrowings from					
(a) Government ..	1,87,249	2,89,724	3,02,000	3,30,000	3,56,381
(b) Others ..	2,22,975	3,42,422	5,01,500	3,73,000	3,84,243
5. No. of tenements constructed.	225	225	229	256	326

Grain Banks

In 1964, there were 14 grain banks in the district. These were established with the object of providing foodgrains to small agriculturists and landless labourers on a credit basis during slack seasons. The return also is to be made in kind only. These banks worked well in the beginning; but later their functioning slackened due to lack of initiatives. One sure way to rejuvenate them is by providing proper management.

Other types of Societies

Among the other types of societies which were existing during 1963-64, the following may be mentioned. There were 11 marketing societies, 12 farming societies and two lift-irrigation societies. The number of weavers' and other industrial societies was 268. Besides these, there were two co-operative spinning mills, seven fisheries societies and two milk supply societies.

A scheme of co-operative education and training of office-bearers, members and non-members is being carried out by the Bijapur District Co-operative Union. The expenses of this union are met out of an education fund collected from co-operative institutions in the district. During the five years from 1959-60 to 1963-64, 5,779 members and 742 office-bearers of co-operatives as also 1,245 non-members were trained by the Union.

CO-OPERATIVE PLANNING

In a planned economy pledged to socialism and democracy, co-operation should become progressively the principal basis of organisation in many branches of economic life, notably in agriculture and minor irrigation, small industry, marketing, distribution, supply, rural electrification, housing and construction, and the provision of essential amenities for local communities. Co-operation is, thus, one of the principal means for bringing about changes of a fundamental nature within the economy. Though co-operation has been unable to step into all the economic sectors in the district of Bijapur, the first two Five-Year Plans have

helped, to a great extent, in expanding the economic activities in the district. During the First Five-Year Plan, though the activities to be undertaken in the co-operative sector at the district level were not clearly defined, the progress made was not insignificant. It was estimated that by the end of the First Plan 75 per cent of the villages were covered by the co-operative sector. It was anticipated to cover at least 60 per cent of the population of the district but it was not possible to reach the target in view of the prevailing famine conditions and backwardness of the area. During the Second Five-Year Plan, all the villages were covered but the percentage of population covered still stood at 52 per cent as against the 29 per cent covered during the First Plan and the percentage of this during 1961-62 stood at 56. The targets fixed for the district under the Third Five-Year Plan and the achievements during the first four years are shown in the statement below :—

Sl. No.	Name of the Scheme	Target for the III Plan	Achievements during the first four years of III Plan
		Rs.	Rs.
(1)	Subsidy to Service Co-operatives ..	3,84,000	1,76,150
(2)	Subsidy towards branches of D.C.C. Bank	27,000	9,000
(3)	Supervisory staff of the D.C.C. Bank ..	35,000	28,000
(4)	Managerial subsidy to Land Development Banks	49,000	47,842
(5)	Land Valuation Officers for Land Development Banks ..	18,000	..
(6)	Share Capital contribution to Marketing Societies	90,000	13,84,000
(7)	Construction of godowns by Marketing Societies ..	75,000	57,125
(8)	Managerial cost to Marketing Societies ..	5,000	28,500
(9)	Rural godowns	4,00,000	2,91,625
(10)	Share Capital contribution to processing Societies	4,00,000	..
(11)	Managerial subsidy to processing Societies	4,13,000	..
(12)	Managerial subsidy to farming Societies ..	12,000	1,37,000
(13)	Construction of godown-cum-cattle shed	50,000	75,000
(14)	Medium and long term loans to farming Societies	40,000	68,000
(15)	Share Capital contribution to farming Societies	20,000	36,000
(16)	Assistance to District Co-operative Union	10,000	10,000
(17)	Share Capital contribution to Consumers' Societies	25,000	2,45,000
(18)	Managerial cost to Consumers' Societies	18,000	39,400

PHYSICAL TARGETS AND ACHIEVEMENTS FROM 1961-62 TO 1963-64

Particulars	1961-62		1962-63		1963-64	
	Targets	Achievements	Targets	Achievements	Targets	Achievements
(1) Organisation of Service Co-operatives ..	63	28	63	30	60	35
(2) Increase in membership	10,000	8,750	11,400	3,397	11,600	7,903
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(3) Increase in Share Capital	6,00,000	3,40,545	4,35,000	3,15,573	50,500	4,46,115
(4) Deposits ..	5,00,000	2,98,000	5,00,000	2,71,000	5,00,000	2,72,055
(5) Short term loans	11,00,000	70,01,753	14,00,000	61,74,052	1,67,00,000	1,08,03,010
(6) Medium term loans ..	27,50,000	1,22,200	36,00,000	69,640	31,30,000	1,68,605
(7) Long term loans ..	5,50,000	1,01,912	4,95,000	1,37,000	6,00,000	3,87,656
(8) Marketing Finance ..	30,00,000	14,20,756	30,85,000	10,05,000	35,00,000	13,54,033

Financial Assistance to Agriculture and Industry

Financial assistance is given to agriculturists by the State in the form of *taccavi* loans. The legal frame-work is provided by the Land Improvement Loans Act of 1883 and the Agriculturists' Loans Act of 1884. The former is broadly concerned with the long-term loans and the latter with short-term accommodation. It is these parent Acts or their derivatives and variants, together with the rules under each, which determine and indicate the extent and nature of the credit dealings of the State Government with the agriculturist. The grant of loans under these two Acts has been considerably liberalised during the last few years as part of the Grow More Food Campaign and also to meet increased demands following the enforcement of the Bombay Money-Lenders Act in 1947. Since the enforcement of the Bombay Agricultural Debtors' Relief Act, *taccavi* loans have been granted to agricultural debtors for crop finance both in cash and in kind through grain banks or the Revenue Department. To the poorer cultivators who have either no land or who own insufficient land, those loans are granted for their maintenance as well as for the purchase of seeds. The total loans advanced by the Revenue Department as *taccavi* loans during 1960-61 and 1961-62 were Rs. 29,87,590 and Rs. 23,51,070 respectively. During the next two years, loans given were to the extent of Rs. 16,69,768 and Rs. 11,35,022 respectively.

The characteristic feature of the loans advanced under both these Acts is that in almost all the cases the security taken is immoveable property, namely, agricultural lands. In the case of taccavi loans to weavers, residential houses are accepted as security when the borrowers are not in a position to offer security of lands.

Financial assistance to the industry is given by the State under the State Aid to Industries Act and Rules ; loans are granted by the Department of Industries and Commerce for starting new industries as well as for expansion and development of existing industries, either on large or small-scale basis. Loans are granted for the construction of buildings, godowns, warehouses, tanks and other works necessary for industrial operation, for the purchase and erection of plant and machinery and appliances and for the purchase of raw materials. Since April 1959 up to October 1963, the total amount of loan sanctioned for the development of various industries in the district under the State Aid to Industries Act was Rs. 80,000.

The Departments of Co-operation and Village Industries are also administering certain schemes under which financial assistance is offered to cottage artisans and their co-operative societies for the development of various cottage and village industries.

The decimal coinage system was introduced in India from 1st April 1957 and the Bijapur district has had the beneficial impact of this change. The British Indian coins which were in use from the days of the Commissioners have been slowly replaced by the new decimal coins and most of the old coins have been now withdrawn from circulation. Now, coins of the denominations of 50, 25, ten, five, three, two paise and one paisa are in circulation. In the initial stages of its introduction, the people of the district found some difficulty on account of the simultaneous circulation of old and new coins, but now they have taken to this change quite well. A table showing conversion from old to the new coins is included in the Appendix.

**Coinage
System**

B. TRADE AND COMMERCE

According to the figures of the census of 1951, trade and commerce provided a primary source of livelihood to 72,460 persons or 5.18% of the total population of this district and secondary means of livelihood to 13,718 persons. Of this total of 72,460, 19,108 were self-supporting, 47,030 were non-earning dependents and 6,322 were earning dependents. Of the persons deriving their secondary means of livelihood from trade and commerce, 7,363 were self-supporting and 6,455 were earning dependents.

The following table gives the number of self-supporting persons engaged in various trades in Bijapur district in the year 1951 :—

<i>Sub-Division</i>	<i>Employers</i>	<i>Employees</i>	<i>Independent workers</i>	<i>Total</i>
1. Retail trade otherwise unclassified	209	614	2,761	3,584
2. Retail trade in foodstuffs (including beverages and narcotics).	414	907	7,006	8,327
3. Retail trade in fuel (including petrol)	47	82	849	978
4. Retail trade in textile and leather goods.	294	963	1,953	3,210
5. Wholesale trade in foodstuff ..	117	309	350	776
6. Wholesale trade in commodities other than foodstuff.	215	176	252	643
7. Real estate ..	7	1	5	13
8. Insurance ..	..	5	..	5
9. Money-lending, banking and other financial business.	144	829	599	1,572
Total ..	1,447	3,886	13,775	19,108

The two significant characteristics of the trade pattern of this district as gathered from the 1951 census figures were the concentration of traders in retail trade, and the predominance of independent workers. Of the total number of self-supporting traders and businessmen, 82.2% were engaged in various retail trades, 7.4% in wholesale trade, 8.2% in financial business and 0.2% in insurance and real estate business; 72% of the total self-supporting traders were independent workers. A further analysis of the table given above reveals that among the various types of retail trades, retail trade in foodstuffs has attracted the largest number of persons, forming 43.5% of the total number of traders and businessmen.

Trade and commerce are mainly centered in urban areas, about 70% of the mercantile community residing in the urban areas as against 30% in the rural areas. Another point to note is that a greater percentage of agriculturists depends upon trade for their secondary means of livelihood than the non-agriculturists. The absence of a common method of presenting occupational data in the decennial census returns and changes in the boundaries of

the district due to the merger of the former Princely States makes it difficult to draw a comprehensive picture of the changes in the occupational pattern from decade to decade. The census of 1881 recorded 1,393 productive workers or 0.21% of the total population engaged in commerce as against 19,108 self-supporting persons or 1.3% of the total population in the year 1951.

It would be difficult to give a definite description of employment in trade and commerce as disclosed by the 1961 census at this stage as all details are not available. According to the available figures*, the total number of persons engaged in trade and commerce in Bijapur district was 25,607 and the details are as below :—

		<i>Men</i>	<i>Women</i>	<i>Total</i>
Rural	...	8,244	3,053	11,297
Urban	...	12,863	1,447	14,310
<hr/>				
Total	...	21,107	4,500	25,607
<hr/>				

These figures represent a partial picture and refer only to persons who are actively engaged in and entirely depending on trade and commerce, thus excluding those who have this profession as their subsidiary means of livelihood and those who are depending on persons engaged in trade and commerce.

Radical, though not rapid, changes since the publication of the old Gazetteer have increased the volume of trade and have also altered the organisational pattern of trade. Extensive network of rail and road transport facilities gradually developed during the century, has made, on the one hand, chief trade centres of the district easily accessible to important trade centres outside, and, on the other, it has made remote areas of the district accessible to each other. This expansion has therefore contributed towards the removal of trade barriers within and without this district. The volume of trade has naturally increased. The change in the pattern of trade is due to the establishment of regulated markets all over the district. Besides this, the rising popularity of machine-made goods and the increasing importance of the cash crops such as cotton, groundnut, and

**Increase in
volume of
trade**

* *Vide* Census of India, Paper No. 1 of 1962, 1961 Census Final Population Totals.

linseed have also contributed towards this transformation. Social, political and cultural factors have also been responsible for this transformation in addition to the economic factors.

The chapter on "Trade" of the old Gazetteer of the district opens with the significant statement that "the remoteness of the district from any great trade centres, the distance either from the sea or from a railway and the number and the size of the rivers by which the district is crossed have been serious hindrances to the development of trade". In recent years, however, these difficulties have been partially or wholly surmounted. Bijapur and Bagalkot are the chief trade centres of this district and are connected to Bombay by the Hubli-Sholapur line. Jamkhandi, another important trade centre, is connected to Bombay *via* Kudchi. Bijapur, Bagalkot and Jamkhandi are also connected to Belgaum, Dharwar, Hyderabad, Sholapur and Satara by rail or road. All the taluk headquarters of the district have an easy access to the chief trade centres by rail or road.

Imports and Exports

The Bijapur district is essentially a district producing primary commodities. It imports almost all machine-made goods and a few agricultural commodities; exports agricultural produce, handloom products and slates. Chief amongst the imports are building materials, logs of timber, matti, teak and plywood imported from Dandeli in North Kanara district and Alnawar in Dharwar district. Nails, screws, iron bars and other iron materials are brought from Bombay. Tiles, distemper and oil-paint colours are imported from Mangalore, Vijayawada and Bombay, respectively. Till 1955, cement also had to be imported but the establishment of the cement plant in Bagalkot has obviated, to an appreciable extent, any large import of cement into this district. House furniture and utensils of stainless steel are brought from Bombay and Poona; glassware comes from Ogalewadi in Satara district, Nagpur and Bombay; food and grocery like rice and peas are imported from Belgaum. Bajri, when the local supply falls short, is got from Dharwar and Vijayawada. Bengal-gram comes from Punjab, Kanpur and Bhatinda; raw and refined sugar from Belapur, Kolhapur, Mandya, Walchandnagar and factories in Ahmednagar district; jaggery from Kolhapur, Belapur, Nipani, Gokak and Sankheswar; salt from Thana and Belgaum; spices from Bombay; chillies from Byadgi in Dharwar district and also from Nizamabad, Warangal and Guntur in Andhra Pradesh. Tea is brought from Nilgiris, Calcutta and Bombay; coffee from the plantations in Chickmagalur and Coorg; matches from Madras State and Bombay; hydrogenated oil from Davangere and Bombay; betelnuts from Sirsi in North Kanara district and dry fruits from Bombay. Of piecegoods and wearing apparel, mill-made cotton cloth is imported from Bombay, Ahmedabad, Sholapur, Madras, Bhavnagar, Bangalore and Kolhapur; mill-made silk cloth is usually

brought from Bangalore, Shahpur, Coimbatore and Madurai and powerloom-made artificial silk cloth from Bangalore, Shahpur and Ludhiana; woollen cloth from Bombay, Kanpur, Madras, Ludhiana, Amritsar and Dhariwal. Linens and rayons come from Bombay and dhoties as also cotton sarees from Bombay, Ahmedabad and Sholapur; Benares sarees from Varanasi and Chanderi sarees from Shahpur and Nagpur. Ordinary silk sarees come from Bangalore, Shahpur, Bhiwandi, Malegaon and Coimbatore; brocades from Surat and Bangalore. Readymade clothes for men, women and children come from Bombay, Sholapur, Bangalore, Madras, Gadag, Poona and Calcutta. Articles of stationery are imported from Bombay. Amongst other items, cocoanut oil is imported from Cochin, Quilon and Ceylon; cocoanut from Tiruchirapalli and Cochin; dry cocoanut from Arsikere and Tiptur. Tobacco comes from Nipani, Kolhapur and Miraj. Miscellaneous articles like toilet goods are imported from Bombay, Bangalore, and Rajkot. Brass and copper sheets are brought from Bombay; locks from Aligarh; toys, particularly plastic toys, from Bombay; allopathic medicines from Bombay, Poona and Calcutta and Ayurvedic medicines from Ahmadnagar.

In a normal year, the district exports cotton, groundnut, both shelled and unshelled, safflower, linseed, sesamum, jowar, bajri, wheat, tur, mung, ghee, handloom sarees and *khans* and slates.

Almost all the cotton that was produced in this district was being exported either by rail or by road, since there were no cotton mills. Two co-operative spinning mills, one at Bijapur and the other at Bagalkot, are being set up; a spinning mill in the private sector is also being established at Ilkal. This is expected to enable better utilisation of the abundant cotton which is now being sent out. Groundnut is exported out of the district on a huge scale. Usually, primary producers bring unshelled groundnuts to the wholesale markets where they are bought and converted into shelled groundnut. About 70 per cent of the production of groundnut is exported. About 20 per cent of the average production of safflower is exported. The average annual arrivals of linseed in the market are about 40,000 British maunds of which about 90 per cent is exported. Of the 19,000 British maunds of sesamum, about 70 per cent is exported. Sesamum is largely consumed in South India.

Coming to cereals and pulses, we find that due to the war and post-war controls on grains, inter-district and inter-state movement of grain was prohibited on private account. The later improvement in the food situation saw the gradual relaxation of these controls and their abolition in 1954. Recently, again certain restrictions have been imposed on movement of food-grains. However, according to rough calculations, it may be

said that during normal times about 70 per cent of the total arrivals of jowar in the market is exported to Belgaum, Sankeshwar, Kolhapur and Nipani; about 60 per cent of bajri to Poona, Kolhapur, Nipani, Belgaum and Gokak; and about 70 per cent of wheat to Sangli, Sankeshwar, Nipani, Kolhapur and Belgaum. About 75 per cent of the total arrivals of tur and mung in the market is exported to Belgaum, Nipani, Gokak, Sankeshwar, Kolhapur, Hubli, Bombay, Poona, Mysore and South India.

Sarees and Khans

The district of Bijapur has all along been noted for the fine quality of sarees and *khans* produced at Ilkal, Guledgud, Rabkavi and Banahatti which are the chief handloom trade centres. There are of course several other centres all over the district, prominent among them being Mahalingpur, Amingad, Kerur and Badami. It is said that in the old days, in addition to fine sarees and *khans*, there was an appreciable quantity of dhoties and coarse cloth being exported from Bijapur, but the export of this type of cloth is now negligible chiefly due to its inability to compete with the mill-made dhoties and cloth. Recently, efforts on the part of the Government of India to foster the handloom industry have been responsible for the resuscitation of this particular sector of the industry. The production of fine and superfine sarees at Ilkal is estimated to be between 1,00,000 to 1,25,000 sarees per year, of which at least about 80,000 sarees are exported to Bombay, Poona, Ahmednagar, Sholapur, Hyderabad and to places in Upper India. Of about 35,000 sarees of coarse and medium varieties produced per year, a small quantity is exported to Dharwar and the rest is consumed in the district. Guledgud is essentially a *khan*-producing centre. These blouse pieces are well-known for their colour, strength, variety and fineness of texture. The average annual production ranges from 30,00,000 to 32,00,000 yards, of which about 80 per cent is exported to Bombay, Poona, Nasik, Sholapur and Ahmednagar. At Rabkavi and Banahatti, medium and coarse varieties of cotton and art silk sarees are produced and sold. A small quantity of coarse cloth and dhoties and shirtings is also produced. Over 2,60,000 sarees are produced each year at Rabkavi of which over 2,30,000 are exported to Belgaum, Sangli, Kolhapur, Poona and Bombay. Of about 2,00,000 sarees produced at Banahatti, nearly 1,75,000 are exported.

In order to eliminate unfair practices in commercial transactions in agricultural produce, and to provide better regulation of buying and selling of agricultural produce, efforts were made as long ago as the thirties of this century by enacting the Bombay Cotton Markets Act, 1938, which was subsequently repealed and replaced by the Bombay Agricultural Produce Markets Act, 1939. This latter statute brought all agricultural commodities under regulation. The market at Bijapur was brought under the Bombay

Cotton Markets Act in 1938 and cotton was the only commodity regulated till 1947. The markets at Bagalkot and Jamkhandi were brought under the Bombay Agricultural Produce Markets Act in 1945 and 1951, respectively. This Act provides for the establishment of Market Committees consisting of representatives of agriculturists, traders, local authorities and Government nominees, to issue licences to and recover licence fees from traders, general commission agents, weighmen, hamals, and cartmen, to regulate trade practices by fixing maximum trade allowances such as brokerage, weightment and hamali, to collect cess from general commission agents on agricultural produce brought by the producers; and to settle disputes between traders as between themselves or between them and the agriculturists.

The Bijapur Market Committee, which was established in 1938, is the oldest in the district. Three more markets were started at Bagalkot, Jamkhandi and Talikot in 1945, 1951 and 1964, respectively. Besides, there are 11 sub-markets in the district. The table below gives particulars regarding the location of each market and sub-market in 1965, together with the dates of their starting.

<i>Sl. No.</i>	<i>Location of the regulated market</i>	<i>Date of starting</i>	<i>Location of sub-markets</i>	<i>Date of starting of the sub-markets</i>
I	Bijapur ..	1-10-1938	(1) Indi (2) Sindgi (3) Chadechan	22-10-1949 15-8-1959 12-2-1961
II	Bagalkot ..	10-1-1945	(1) Badami (2) Ilkal (3) Hungund	5-1-1949 7-6-1955 7-6-1955
III	Jamkhandi ..	1-12-1951	(1) Mudhol (2) Mahalingpur (3) Terdal	1-12-1951 9-6-1956 6-9-1956
IV	Talikot*	20-5-1964	(1) Muddebihal (2) Nalatwad (These two sub-markets were formerly under the Bijapur Market Committee)	5-11-1953 1-9-1956

THE BIJAPUR AGRICULTURAL PRODUCE MARKET COMMITTEE, BIJAPUR

This market committee has now three sub-markets. It extended the regulation to pulses, fruits, vegetables, onions and

* There was a sub-market functioning at Talikot since 22-10-1949 and it was under the Bijapur Market Committee

dry chillies also in 1962. Development of the principal market yard was entrusted to the Bijapur City Municipal Council. The area of the yard is 79 acres. There are 111 plots each measuring 105'×140'. The Mysore State Warehousing Corporation has constructed five scientific godowns. Construction of 48 godowns has been completed by merchants. Steps are also being taken to develop a sub-market at Indi.

The arrivals of agricultural produce and their valuation in the regulated market at Bijapur as also in its sub-markets during the years 1962-63 and 1963-64 were as follows :—

Name of the commodity	1962-63		1963-64	
	Arrivals in quintals	Valuation in Rs.	Arrivals in quintals	Valuation in Rs.
Cotton ..	1,54,389	1,70,92,002	1,87,259	1,93,06,045
Lint ..	26,917	52,57,789	34,045	85,15,257
Groundnut ..	1,17,863	27,60,802	1,60,271	94,57,365
Safflower ..	71,758	33,38,634	52,289	29,86,501
Linseed ..	10,840	7,05,060	6,679	6,86,884
Sesamum ..	13,750	13,05,544	13,361	13,13,888
Jowar ..	2,13,814	78,48,574	2,01,883	94,29,099
Wheat ..	46,355	26,25,994	48,442	32,54,101
Bajri ..	49,816	17,23,161	47,266	14,12,560
Tur ..	26,142	10,52,101	10,207	6,32,109
Mung ..	10,172	7,63,767	9,640	4,91,910
Kulthi ..	4,878	1,59,850	3,829	1,43,202
Gram ..	2,910	1,40,856	3,178	1,83,761
Alasandi ..	308	10,517	1,160	53,888

The financial position of the Bijapur Market Committee is indicated by the following figures :—

Year	Income	Expenditure	Surplus
	Rs.	Rs.	Rs.
1962-63 ..	1,56,212	99,040	57,171
1963-64 ..	2,49,217	1,09,507	1,39,710

THE BAGALKOT AGRICULTURAL PRODUCE MARKET COMMITTEE, BAGALKOT

The Bagalkot Regulated Market is the second biggest in the district. This market was brought under the Bombay Agricultural Produce Market Act, 1939 in the year 1945 and the market committee commenced its work in 1946. This market has three sub-markets. The table below shows the arrivals in quantity and value during 1962-63 and 1963-64 of the various agricultural commodities in the regulated market at Bagalkot as also in its sub-markets :—

Name of the commodity	1962-63		1963-64	
	Arrivals in quintals	Valuation in Rs.	Arrivals in quintals	Valuation in Rs.
Cotton ..	31,634	26,62,618	38,306	36,00,800
Lint ..	42,765	1,06,36,723	39,022	1,03,29,940
Groundnut ..	1,50,707	77,17,515	2,12,443	1,69,95,440
Jowar ..	75,890	30,84,628	36,495	21,89,700
Wheat ..	11,770	67,25,252	12,321	8,62,470
Bajri ..	34,302	11,30,831	34,981	15,74,145
Navani ..	3,957	4,37,355	2,757	1,15,794
Safflower ..	37,683	16,53,612	6,691	4,41,606
Linseed ..	7,383	4,14,274	3,367	2,69,360
Sesamum ..	2,193	2,10,778	4,256	4,68,360
Tur ..	51,138	20,36,270	20,755	14,73,605
Gram ..	1,873	84,776	363	23,232
Alasandi ..	1,374	54,371	3,179	1,93,919
Kulthi ..	5,528	1,83,173	2,384	1,04,896
Mung ..	5,661	2,31,104	5,354	3,53,364

The Bagalkot Market Committee has acquired a site measuring about 60 acres for development of the principal market yard at Bagalkot. There are a 100 plots and there is also space for other amenities. A sub-market yard is also being developed at Badami. The Mysore State Warehousing Corporation has constructed scientific godowns at Bagalkot also. The figures below depict the financial position of the Bagalkot Market Committee :

Year	Income	Expenditure	Surplus
	Rs.	Rs.	Rs.
1962-63 ..	1,19,158	67,771	51,386
1963-64 ..	1,62,050	69,376	92,674

The Committee had a permanent fund of Rs. 4,76,963 in 1964.

THE JAMKHANDI AGRICULTURAL PRODUCE MARKET COMMITTEE, JAMKHANDI

This market committee which was established in December 1951 has three sub-markets. It has acquired land measuring over 19 acres for development of a principal market yard at Jamkhandi and the development work has progressed well. Preliminary work for developing a sub-market yard at Mudhol is also being done.

The arrivals of agricultural produce and their valuation in the regulated market at Jamkhandi and in its sub-markets during 1962-63 and 1963-64 were as follows :—

Name of the Commodity	1962—63		1963—64	
	Arrivals in quintals	Valuation in Rs.	Arrivals in quintals	Valuation in Rs.
Cotton ..	1,08,127	1,32,57,686	63,689	67,72,544
Groundnut ..	18,029	10,46,645	19,134	13,72,004
Safflower ..	10,973	6,14,044	3,674	2,73,550
Gram ..	1,044	51,440	789	43,266
Tur ..	1,355	49,027	1,173	62,935
Jowar ..	56,550	25,07,494	61,670	30,26,325
Bajri ..	3,612	1,19,513	..	..
Wheat ..	5,094	2,99,056	2,377	94,499

A brief account of the financial position of the Jamkhandi Market Committee is given below :—

Year	Income	Expenditure	Surplus
	Rs.	Rs.	Rs.
1962-63 ..	55,770	41,176	14,543
1963-64 ..	75,009	40,958	34,051

THE TALIKOT AGRICULTURAL PRODUCE MARKET COMMITTEE, TALIKOT

Formerly at Talikot there was only a sub-market of the Bijapur Market Committee. In 1964, an independent Market Committee was formed at this place and the sub-markets of Muddebihal and Nalatwad were transferred from Bijapur Committee to this Committee. Talikot has a market yard measuring more than 14 acres and the Committee has expended over Rs. 89,000 on capital works.

Any scheme of wholesale trade in agricultural produce envisages, as everywhere in the country, the existence of the general commission agent. This agent acts at once as an intermediary between the primary producers and the wholesale purchasers, a money-lender to cultivators, a provider of adequate

space for storage of goods and parking of carts and bullocks and lastly, as an economic adviser to the peasants. The combination of all these functions in the person of the general commission agent usually means that he is in clover most of the time. In his role of an intermediary between the seller and the purchaser he receives a handsome commission from both. As money-lender, he not only gets interest but also makes it incumbent upon producers to bring their produce for sale to him alone. As a godown owner he receives rent, and so, all that he gives free is his advice and occasional parking and halting space for bullocks and carts. But, it must also be realised that the capital investment of the general commission agent will be fairly heavy. In Bijapur district, it varies from about Rs. 5,000 to Rs. 2 lakhs.

The purchasers of cotton fall into three classes in this district : (a) a risk-bearing class of purchasers who purchase and later sell cotton to traders within the district or to consumers outside it, (b) brokers who act on behalf of a client residing within or outside the district on some fixed commission basis, and (c) employees of mills, and Indian and foreign firms dealing in cotton. Purchasers of oil seeds fall into two categories, namely (a) owners of local *ghanis* or oil seed crushing mills, and (b) purchasers who purchase and later sell within the district or export outside it depending upon the prices prevailing inside the district and the export price.

The weighmen and hamals play an important role in disposing of agricultural produce. The former are licensed and the latter are not. Regulated commodities are weighed by the licensed weighmen for which they get a remuneration from the sellers who are the cultivators. Weighment is done on the premises of the general commission agent who supplies weights, measures and the balance.

A Government oil-grading station has been set up at Bijapur. There are two ghee-grading centres at Talikot and Nalatwad, whereas a main ghee-grading laboratory has been started at Bagalkot.

There were in June 1965 eleven Taluk Marketing Co-operative Societies in the district, one each at the taluk headquarters of the district. The functions of these societies are to arrange for the sale of the agricultural produce of the members to the best advantage, to undertake warehousing business and to provide godown facilities to agriculturists for stocking their produce, to undertake processing activities like turning agricultural raw materials into finished products, to arrange for the supply to the agriculturists of fertilisers, improved seeds and manures, agricultural implements and also essential domestic requirements and to advance loans on the security of agricultural produce to the

Co-operation
in
trade

extent of 60 per cent of the market value of the produce. The following figures relate to the working of these societies in the district during 1961-62, 1962-63 and 1963-64 :

<i>Particulars</i>	1961—62	1962—63	1963—64
1. No. of Marketing Societies ..	11	11	11
2. Number of members ..	4,002	4,298	5,676
	Rs.	Rs.	Rs.
3. Share capital ..	3,61,308	3,92,600	5,70,850
4. Reserve and other funds ..	1,84,103	1,91,819	1,87,368
5. Borrowings :			
(i) Government ..	2,84,750	2,36,000	1,90,162
(ii) Central Bank ..	5,33,958	6,45,000	4,59,431
(iii) Others ..	40,032	20,000	35,931
6. Loans issued ..	14,20,755	11,17,000	13,54,033
7. Loans recovered ..	13,38,494	10,00,000	15,02,021
8. Loans outstanding ..	8,91,042	9,80,000	8,32,012
9. Overdues ..	4,81,479	4,70,000	3,79,674
10. Profits ..	1,675	24,000	49,704
11. Sales as owners ..	3,48,475	7,20,749	62,20,880
12. Sales as agents ..	21,82,745	22,44,145	29,32,962
13. Commission earned ..	34,753	39,000	37,457

The Government has contributed substantially towards the share capital of these societies, in addition to loans and subsidies sanctioned for the purpose of construction of medium-sized godowns as also rural godowns.

All the eleven marketing societies have been appointed as wholesale agencies for dealing in controlled commodities. They have also been recently entrusted with the work of procurement of foodgrains for which purpose the Government has sanctioned additional share capital.

Consumers' Co-operatives

Consumers often find themselves at considerable disadvantage due to profiteering tendencies in the market. Therefore, a need was felt for organising a co-operative way of distribution of consumer articles and thereby protect the interests of consumers. Co-operative consumer stores can help in checking rising trends of prices by bulk-purchases from manufacturing centres and selling the articles to consumers at reasonable prices.

Thirty such co-operative consumers' societies were organised in Bijapur district up to the end of June 1964. Seventeen of them were set up during 1963-64 alone. Some of the consumers' societies such as those at Bagalkot and Jamkhandi have achieved a notable progress. They deal in articles like cloth, readymade clothes,

medicines, stationery, foodgrains and sugar. The following figures will depict the working of these institutions :

<i>Particulars</i>	1962—63	1963—64
1. Number of members ..	2,656	4,182
	Rs.	Rs.
2. Share Capital ..	1,01,000	2,63,040
3. Reserve and other funds ..	70,000	72,562
4. Borrowings ..	21,000	2,96,511
5. Purchases ..	5,62,000	28,50,317
6. Sales ..	5,92,000	29,30,438
7. Profit ..	9,000	28,074

In many towns and villages, the market is periodically held once or twice a week on fixed days. Besides agricultural produce and cattle, cloth, vegetables, fruits, groceries, spices, chillies, butter, ghee, sugar, fuel, copper and brass vessels, earthen pots and other articles of daily use are sold in these bazars. These markets are generally held in the centre of the town or village from eight in the morning till about five in the evening. Some of the sellers in these bazars are themselves the producers of the goods they sell, and others are either dealers or dealers' agents from the neighbouring towns or villages. Transactions are usually done on cash basis. A table indicating the details of prominent shandies in the district is appended to this Gazetteer. **Weekly Bazars**

There are quite a large number of fairs associated with the deities and religious festivals where a considerable quantity of agricultural produce and other commodities of daily use are brought for sale. These fairs last for one or more days with an attendance varying from 200 persons to 50,000 persons. There are about 280 such fairs held in Bijapur district, but of these only about 90 are of importance from the point of view of trade and a list of the more important fairs in the district together with their details is appended to the Gazetteer in a tabular form. These fairs are chiefly distributing centres. The sellers are, besides the local shop-keepers, itinerant merchants, cultivators and petty shop-keepers from the neighbourhood. Buyers are usually the residents of the village or town and its neighbourhood and also pilgrims from distant places. A wide range of articles, from basic necessities to luxury goods, is usually on display at these fairs. Transactions at these fairs are done on a cash basis. At places where large fairs are held the local authorities make arrangements for the layout and accommodation for the visitors and the merchants. **Fairs**

Village shop-keepers occupy an important place in the organisation of trade in the rural areas of this district. Almost every village has one or more shop-keepers who provide its inhabitants with their day-to-day necessities. Taking the district **Village Shop-keepers**

as a whole, on an average, there are four shops for a village. Bagalkot taluk has got the lowest average of two shops per village and Bagewadi has the highest, 6 shops per village. Except grain which he buys from the local producers, the village shop-keeper draws his stock-in-trade from large towns in the neighbourhood with which he has business relations and where probably he gets credit facilities. His stock consists of grains, groceries, sugar, salt, gur, vegetables, oils, ghee, spices, coconut, soap, tea, tobacco, betel-nut and chillies. Articles are bought mostly on payment of ready cash but in some cases the customer is allowed a running account to be settled monthly. The village shop-keeper occasionally acts as a miniature money-lender also. He has usually his place of business in the centre of the town or village. The smaller ones amongst the shop-keepers move from place to place within a radius of twenty to thirty miles of their shops to buy and sell their wares, while the larger ones remain in a specific place throughout the year.

Pedlars

Next in importance to the religious fairs and village shop-keepers, are the pedlars who go hawking merchandise from village to village. These moving merchants still play quite a significant role in the trade organisation of the district, though the volume of trade that they handle has declined considerably in recent years. The villagers who used to patronise these pedlars are now showing a definite preference for the periodical markets. But, this does not mean that the pedlars have lost their importance. The system of pedling from village to village does exist. These pedlars come from many of the castes and communities in the district. They move from village to village in the fair weather season and return to their places before the monsoon sets in. They usually carry their goods on ponies, carts, or on their own shoulders or heads. Some pedlars, specially in the taluks of Mudhol, Sindgi and Bilgi, have bicycles. They obtain their stock-in-trade from Bijapur, Bagalkot, Jamkhandi and Sholapur and sell the same in rural areas within their circuit. Each class of pedlars handles only a particular commodity. There are pedlars of grocery, cloth and ready-made clothes, fruits and vegetables, stationery, oils and utensils. Most of the transactions are done on cash basis.

The volume of the trade in a particular district can be ascertained only when accurate statistics regarding exports from the district and the imports within are available. Such statistics are, however, not available for the district of Bijapur; while the statistics of export could be estimated to a certain extent, thanks to the net-work of regulated markets, statistics of imports can only be guessed. All that is available is the volume of imports based on the octroi returns in a few municipal towns, and even these figures are none too accurate. In the municipal towns of the district, octroi is levied either on quantity or on an *ad valorem*

basis. Hence, either the quantity imported is available or the value of goods imported is available, but never both. Generally speaking, it may be presumed that, during the post-war years, there has been a steady increase in the imports of almost all the commodities and this is particularly true in the case of large towns like Bijapur and Bagalkot. The retail shops which provide the link between the consumer and the wholesaler are located in various wards of these municipal towns. Their stock-in-trade is usually limited, but rapid replenishments are made when the goods are sold out. The retailers usually have dealings with some wholesalers in the town itself, but not infrequently they also deal directly with the source. Some of the retailers have direct dealings with outside merchants, particularly in the cloth trade. Running accounts for the customers are common. Bijapur, the headquarters of the district, continues to be an important trade centre. Bagalkot and Jamkhandi are the two other towns where retail commercial transactions are considerable. The Bombay Shops and Establishments Act was enforced in four towns—Bijapur, Bagalkot, Jamkhandi and Ilkal—providing for compulsory registration of all shops and establishments. The administration of the Act was entrusted to the municipalities. A uniform Act, the Mysore Shops and Commercial Establishments Act, 1961, has come into force throughout the State with effect from 1st October 1964. A study of the shops in these municipal areas shows that the grocery shops top the list followed by shops selling betel leaves and beedies. In the two towns of Ilkal and Rabkavi-Banahatti, cloth and hosiery shops are the largest in number and grocery shops come next to them. In the town of Tardal, the grocery shops led the sweets and eatables shops by a very narrow margin. By and large, the shops in each commodity can be classified in the descending order of their strength as grocery, pan-beedi, stationery and cutlery, cloth and hosiery, milk and milk products and wood fuel. In all the principal towns of the district, the dispersion of these retail shops is, as would be expected; grocery, pan-beedi and wood fuel shops are located in almost all the wards and localities.

Among the retail shops, grocery shops are of prime importance. They are the largest in number and provide the widest employment. All sorts of cereals and pulses, gur, sugar, oil, ghee, spices, condiments, tea, coffee, salt, betel-nuts, soap, and other items of grocery are sold in their shops. The stock-in-trade in each shop varies in volume from Rs. 100 to Rs.5,000. The shop-keepers purchase their commodities on credit from the wholesalers and settle the bills within three or four weeks. It is a general practice to employ servants for handling and weighing commodities. The larger shop-keepers also employ clerks and accountants for maintaining the accounts. Sales are usually brisk at the time of Diwali, Dasara and other religious festivals.

Retail Shops

and shrink at other times. Next in importance to grocers' shops are those selling pan-beedi, cigarettes and tobacco. Most of these shops are one-man establishments and the stock-in-trade is obtained locally from the wholesaler. The value of stock-in-trade varies from Rs. 50 to Rs. 300. The business is generally slack in the rainy season and brisk on Saturdays, Sundays and other holidays. Cloth and hosiery shops come next. They stock and sell all kinds of textiles, cotton, woollen and silk. Besides mill-made fabrics, they also sell handloom products. A majority of the shop-keepers purchase most of their requirements and mill-made fabrics through the local agents of textile mills and only a small quantity directly from the sources of origin like Bombay, Ahmedabad and Sholapur. Handloom products manufactured within the district are obtained by shop-keepers either directly from the weavers or from the wholesale dealers at Ilkal, Guledgud and Rabkavi. Most of these shops are owned by members of the merchant communities. The value of stock-in-trade is generally between Rs. 5,000 and Rs. 10,000. But, there are a few large shop-keepers whose stocks may be worth very much more. The big shops employ salesmen and clerks. The rainy season is generally a slack season and sales usually shoot up during the marriage season.

Wood fuel shops deal in firewood and charcoal and frequently they also deal in dried cow-dung, particularly in small towns. A large quantity of firewood is imported by the wholesale dealers from the forests of North Kanara and Belgaum districts, and the retail shop-keepers obtain their supplies from these wholesale dealers. Firewood generally comes in the form of large logs of wood which the local dealers split into suitable sizes. The individual stock-in-trade varies in value from Rs. 100 to Rs. 1,000. Firewood and charcoal are commodities which get wet during the rainy season and, therefore, people store them for use just before the onset of the monsoon. The sales, therefore, reach their peak before the rainy season.

The stationery and cutlery shops also sell toilet articles, bangles and hosiery. The majority of these goods are brought from Bombay. The smaller merchants stock goods worth Rs. 100 to Rs. 300, and the bigger shops from Rs. 1,000 to Rs. 10,000. The sales fall during the periods of vacation of schools and mount up in the months of June and July when the educational institutions re-open.

Shops selling footwear and other leather goods such as suitcases, hand-bags, straps and belts can be classified into three distinct categories: (1) shops which exclusively sell leather which is obtained by them locally, (2) shops which exclusively deal in footwear which is imported from Bombay and Kanpur or made locally and (3) shops which not only deal in footwear but

also in other leather goods such as suit cases and hand bags which are normally imported from places outside the district. The value of stock-in-trade in these shops varies from Rs. 100 to Rs. 10,000. Business is usually brisk in summer and dull during the monsoon.

Among the group of shops selling milk, milk products, sweets and other eatables, some sell only milk and milk products, while others sell only sweetmeats and eatables. The value of stock-in-trade varies from Rs. 25 to Rs. 200. Sales of milk, milk products and other eatables are fairly steady throughout the year, while those of sweets shoot up during the seasons of marriages and festivals.

Most of the shops dealing in fruits and vegetables are small units, usually managed by a single person, and cater for the needs of their immediate neighbourhood. They obtain their stock-in-trade from the surrounding rural areas and also from the local wholesalers who in their turn import from places outside the district. Since the commodities sold by these shops are perishable, the value of stock generally does not exceed Rs. 50. Fruits and vegetable shops have a fairly steady business throughout the year but the trade is more brisk during the summer season.

Recent years have seen the growing popularity of ready-made clothes and a number of shops have come into existence to meet this demand. These shops sell shirts, trousers, pyjamas, jackets, coats, bush-shirts, blouses, jumpers, skirts and children's wear. The stock-in-trade is obtained from Bombay, Bangalore, Delhi and Poona. Part of it is also made locally. The value of the stock varies from Rs. 500 to Rs. 5,000.

The shops selling mutton, beef, fish and eggs are small units usually managed by one or two persons. The stocks are obtained locally and the value of the stock-in-trade varies from Rs. 50 to Rs. 200. The sales are steady more or less throughout the year.

Metal utensils consist mainly of brass and copper ware and in recent years also of aluminium and stainless steel. The manufacture of brass and copper utensils is a small-scale industry particularly in the towns of Bijapur and Bagalkot. Big dealers in this trade import copper and brass sheets from Bombay and get the utensils manufactured from *Kanchagars*. The retail shop keepers obtain their stock-in-trade from these big dealers. The stock usually consists of dishes, pans, cups, saucers, spoons, frying pans, *kodas*, *handes* and *bindiges*. The value of stock-in-trade of individual shops varies from Rs. 500 to Rs. 10,000. March, April and May are the brisk months for the sale of these products. Shops selling hardware and building materials deal

in iron sheets, galvanized iron sheets, iron bars, angles, hinges, screws, bamboos, lime, timber and other material required for building construction. The bigger shop-keepers purchase hardware directly from the manufacturer and the smaller ones from Bombay and Belgaum and occasionally from bigger shops in the towns. The value of stock-in-trade of individual shop-keepers, varies from Rs. 500 to Rs. 5,000. The demand for hardware and building materials is brisk during the fair season, which is favourable for building construction and dull during the monsoon.

Shop-keepers under the "medicines" group style themselves as chemists and druggists. They sell all kinds of allopathic patented drugs, various chemicals and surgical instruments and other sundry articles like tooth paste and tooth brushes and toilet soaps. A large part of the chemical drugs and medicines is brought mainly from Bombay and other centres of production. The value of stock-in-trade of individual shops varies from Rs. 2,000 to Rs. 25,000.

Hawkers

Hawkers, the urban counterpart of pedlars, play a considerable part in the retail trade of the district. Not all the towns, however, have hawkers. These hawkers move from place to place in the towns hawking merchandise. They carry goods either on their heads or in wheel-barrows. The articles sold by them are generally sweetmeats, stationery, hosiery, fruits and vegetables, toys and other sundry articles. The Bijapur Municipality has a system of licensing these hawkers.

Trade associations and guilds have now become a common feature of economic life. The more advanced the industrialisation and the more intense the volume of trade, the larger is the number of associations in that region. The Merchants' Association, Bijapur, was registered in 1954. There are, of course, a few unregistered associations. The Bijapur Merchants' Association aims at securing organised action in respect of economic and commercial progress of the mercantile community, collection and dissemination of statistical and other information and undertaking the settlement of commercial disputes between the merchants of the association and their customers. Among the unregistered associations of Bijapur are the (1) Cloth Merchants' Association, (2) Kirana Merchants' Association and (3) Stationery Merchants' Association. There is only one Association at Bagalkot—Bagalkot Merchants' Association, with aims and objects similar to those of the Bijapur Merchants' Association.

District Chamber of Commerce

With the realisation of the need to have an organised body of traders, businessmen and industrialists to strive towards the economic betterment of the region, the Bijapur District Chamber of Commerce was established at Bijapur in February 1962. This body with 41 members on its rolls is doing its best to improve and develop the district in all fields of economic activity.

The weights in use in the district before the introduction of the metric system were the maund of 40 seers, the seer of 80 tolas and the five seer weight which was familiarly called "pancheru" or "viss". A unit of cotton in Bijapur district consisted of 784 lbs. and was called a *khandi*. A bale of ginned cotton consisted of 392 lbs. Fluids were either measured or weighed according to local practices. Ghee and butter were weighed employing the viss as the unit weight and oils were measured employing the standard seer as the unit. Petrol and diesel oil were sold to customers using the gallon as unit. With the introduction of the metric system, they are being sold in litres. The metric system of weights and measures was introduced all over the district in April 1960 and the traders of the district are now following this system. Tables showing weights and measures which were in existence in Bijapur district prior to the introduction of metric weights and measures and their equivalents are given in the Appendix.
