

## CHAPTER V

### INDUSTRIES

**T**HE importance of industries in the national economy needs no emphasis. Though the truth of the slogan 'industrialise or perish' given by the late engineer-statesman Dr. M. Visvesvaraya has been well realised in the State, the district of Hassan cannot yet claim to be industrially well advanced. The statement made in the Census Report of 1941 that "Mysore, in spite of the imposing list of its industries and its rapid industrialisation, is not producing more than a small fraction of its vital necessities even in the fields that it has entered, and there are still several fresh fields to enter"<sup>1</sup> may be said to be still true in a way with reference to the district of Hassan. The district is doubtless favourably situated in regard to production of the raw materials needed for the development of its industries as it is not only agriculturally prosperous but also has a forest area of about 200 sq. miles or 510 sq. kilometres. The *malnad* area of the district has a good deal of forest wealth. The district has also rich mineral deposits of chromite, kaolin, asbestos, copper, corundum, mica, beryl, garnet, kaynite, etc. It is also noted for its livestock products like raw hides, skins and bones. By utilising the existing agricultural raw materials like cotton, sugarcane, coconut, copra, groundnut and other oilseeds, and by the judicious exploitation of the existing forest and mineral resources, a number of industries could be developed in the district.

At present there is only one industry in the district, *viz.*, the Mysore Implements Factory, Hassan, which may be defined as large; however, there are a few industries which may be called as medium, like the Asbestos Factory at Holenarsipur, the Hassan Coffee Curing Works, Hassan, the Kothari Coffee Curing Works and the Bharathi Coffee Curing Works, also located at Hassan. There are also a good number of small-scale industries like handloom weaving, rice mills, oil mills, ginning factories, saw mills and others. In the course of this chapter, an attempt will be made to give a brief appraisal of the district's industrial development.

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1. Krishna Rao, P.H., Census of India, 1941, Mysore State, Part I, Report, 1943, p. 42.

Old-time  
industries

In the old days, the district of Hassan had attained a name for its skilled craftsmanship. There is an old saying that "the first, the best and the most perfect of instruments is the human hand." When we see the exquisitely carved temples at Belur and Halebid, we cannot but be wonder-struck by the highly skilled craftsmanship displayed in the district in the olden days. The huge monolithic statue of Gommateshwara at Shravanabelgola is another standing example of the skilled workmanship of the old days. In praise of the place where the statue is standing it has been said that : "In the whole beautiful State of Mysore, it would be hard to find a spot, where the historic and the picturesque clasp hands so firmly as here."<sup>1</sup> The decorative sculpture of the Halebid and Belur temples, Mr. Fergusson considers, to be "the most marvellous exhibitions of human labour to be found even in the patient East."<sup>2</sup>

Another old-time industry related to the manufacture of sugarcane mills. At Channarayapatna, these mills were said to have been made and repaired.<sup>3</sup> Another industry of the old days was the casting and steel metal work at Shravanabelgola.<sup>4</sup> This industry is still existing, to some extent, even to-day. The casting process falls into two sub-divisions, moulding and casting proper. A core of mud is first made of the shape of the inner surface of the intended hollow casting of metal and turned true. A lining of bee-wax of the thickness of the casting required is then laid over this turned surface and also turned true under a bow lathe. Lastly, an outer layer of mud is superimposed to this wax lining. Two openings are left, one at the bottom for the melted wax to be run out and the other near the top for the molten metal to be poured in. A coating of rough mud is now put on the mould and the whole carefully dried. The mould is then heated and the bottom opening is left open to allow the molten bee-wax to run out. The molten brass is next run in through the opening on the top and after it is cooled, the earth inside and outside is removed. The cast article is then filed by hand and turned under a strong lathe worked by two men. The casting is mostly in brass and to some extent in bell metal. The articles prepared from castings of brass are images of the various deities, *vahanas* or riding animals of the deities, lamp-stands, candle-stands, tumblers, sounding bells, cups and boxes. The manufacture of these products was, to a great extent, in the

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1. Quoted by Hayavadana Rao, C., *Mysore Gazetteer*, Vol. V, 1930, p. 1038.
  2. Provincial Gazetteers of India, Mysore State, p. 67.
  3. *Ibid*, p. 66.
  4. Hayavadana Rao, C., *Mysore Gazetteer*, Vol. III, 1929, p. 252.

hands of the Jains.<sup>1</sup> A company known as the Shravanabelgola Brass Industries and Copper Works, started in 1914, was producing different kinds of utility brass and copper-ware. There are references to indicate that metal works were also in existence in the old days at Arsikere.<sup>2</sup>

Among the other old-time industries of the district may be mentioned the following: A cloth factory was said to be in existence at Belur at the close of the last century.<sup>3</sup> The manufacture of *gony* (a kind of fibre) bags<sup>4</sup> was in existence chiefly in the Arkalgud, Holenarsipur and Channarayapatna taluks and was a source of employment to a few people. Bags for the export of grain were also made from the bark of a tree called *gajamara* or elephant tree. The other industries found in the district were pottery, carpentry, tanning, glass-making, production of textile fabrics or the raw materials for them, rope-making, extraction of oil and manufacture of earthsalt<sup>5</sup>

With the development of trade and industry and the advent of cheap, machine-made imported goods, many of the old industries of the district began to decline. The other general causes attributed to their decline are the paucity of finance, insufficient supply of raw materials in some cases, want of skilled workers, lack of efficient management and the absence of proper marketing facilities. There was diversion of the younger members of the artisan community to other occupations. However, it may be said that the competition from more highly developed industries and the changes of taste among the people quickened the pace of decline of many of the old industries. Despite these adverse conditions, some of the old crafts of the district like handloom weaving, pottery, leather work, etc., have survived to this day.

**Causes for  
decline of  
old industries**

The hydro-electric power produced at the Shivasamudram generating station under the Cauvery Power Scheme was first extended to Hassan district in 1936 and two towns, *viz.*, Holenarsipur and Hassan, were electrified on 6th September 1936 and 9th October 1936 respectively. The extension of power

**Power Supply**

1. Report on the Administration of Mysore for the years 1881-82 to 1885-86, 1887, p. 81; Balakrishna, R., "Industrial Development of Mysore", 1940, p. 29; "The Resources, Industries, Trade and Commerce of the Mysore State" by Sambashiva Iyer, V. S., 1914, p. 58 and Hayavadana Rao, C., *Mysore Gazetteer*, Vol. III, 1929, pp. 252-53.

2. Census of India, 1931, Vol. XXV, Mysore, Part I, Report, 1932, p. 227.

3. Mysore Census, 1941—Industry in Mysore, 1942, p. 1.

4. B. Lewis Rice, *Mysore Gazetteer*, Vol. II, p. 339.

5. Report on the Administration of Mysore for the years 1881-82 to 1885-86, p. 80

facilities to more places in the district had perforce to wait till the inauguration of the Mahatma Gandhi Hydro-Electric Works at Jog, because a high tension line was to pass from Bhadravathi to Bangalore through Arsikere and Belur taluks of Hassan district. But due to the pressing demand of the people of Belur, an important tourist centre in the State, power was supplied to that town on 12th January 1939. In 1940, two more taluk headquarters were supplied with hydel power, *viz.*, Sakleshpur and Channarayapatna, on 2nd October 1940 and 7th July 1940 respectively. Arsikere was the next town to be electrified on 20th January 1942. Later on, after the Jog Station was commissioned, power was extended to other parts in the district. Among the other important places which thus received power supply were Alur, Arkalgud and Ramanathapura (in Arkalgud taluk) during 1950, 1953 and 1954 respectively. With the commissioning of the Sharavathi Hydel Project, the rural electrification programme has been intensified. There is now a net-work of transmission and distributing lines in Hassan district providing electricity to all important places in the district.

Under the rural electrification programme, the number of villages electrified in the district by 1963-64 was about 200. This number had increased to 319 by the year 1968. Similarly, about 500 irrigation pumpsets in the district had been supplied with power by 1963. As against this, the total number of pumpsets serviced by 1968 had gone up to 1,123 and to 1,445 by 1970. The following table indicates the talukwise number of villages electrified and irrigation pumpsets serviced in the district as at the end of March 1968 :—

<i>Sl. No.</i>	<i>Name of taluk</i>	<i>No. of villages electrified</i>	<i>No. of pumpsets serviced</i>
1.	Alur ..	29	79
2.	Arkalgud ..	31	327
3.	Arsikere ..	77	145
4.	Belur ..	27	75
5.	Channarayapatna ..	39	188
6.	Hassan ..	64	156
7.	Holenarsipur ..	14	52
8.	Sakleshpur ..	38	101
	Total ..	319	1,123

According to the Executive Engineer (Electrical), Hassan Electrical Division, the total number of villages electrified and

irrigation pumpsets serviced in the Division, which also includes parts of other contiguous districts, by 1970 were 439 and 2,388 respectively.

With the rapid progress in electrification and the increase in the development activities of the Electricity Board in the district in recent years, there has also been a corresponding increase in the consumption of electrical energy in the district. The power consumption, under all heads, in the district during 1969-70 was of the order of about 12,38,700 units per month, the industrial and domestic lighting installations accounting for the bulk of this consumption. The subjoined statement indicates the sectorwise consumption of power in the district during the year 1969-70 :—

Sl. No.	Power-consumption sector	No. of installations	Units consumed per month (in Kw.)
1.	Domestic lighting ..	21,427	2,74,783
2.	All-electric homes ..	610	70,464
3.	Commercial lighting ..	5,481	1,25,817
4.	Commercial power ..	729	1,53,171
5.	Industrial power ..	902	3,01,321
6.	Water supply ..	60	1,52,875
7.	Public (street) lighting ..	6,329	72,956
8.	Irrigation pumpsets ..	1,445	85,740
9.	High-tension supply ..	1	1,574

During 1970, there were thirteen step-down stations of varying capacities in six places in the Division. Of these, four were in Chikmagalur district and the rest in Hassan district. The following statement indicates the number of step-down stations, their capacities and the places where they are located :—

Sl. No.	Place	Capacity of step-down station in KVA/MVA
1.	Hassan ..	2 of 1.5 MVA — 66/13.2 K.V. Cl.
2.	Belur ..	2 of 300 KVA — 66/4.6 K.V.
3.	Sakleshpur ..	1 of 150 KVA — 66/13.2 K.V. Cl.
4.	Holenarsipur ..	2 of 750 KVA — 66/13.2 K.V. Cl.
5.	Chikmagalur ..	2 of 2 MVA — 66/11 K.V.
6.	Balehonnur ..	2 of 750 KVA — 66/13.2 K.V. Cl.

In 1963, the Hassan Electrical Division realised a revenue of about Rs. 19.5 lakhs through sales of electrical energy. But in keeping with the expansion of the programme of electrification,

the revenue of the Division has also correspondingly increased over the last few years and it stood at Rs. 66.10 lakhs during 1969-70.

The Hassan Electrical Division was first constituted in 1944. The jurisdiction of the Division comprises of not only the Hassan district, but also the Chikmagalur district except the Tarikere taluk and parts of Kadur, Narasimharajapura and Koppa taluks, the Saligrama hobli in Krishnarajanagar taluk of Mysore district, the Krishnarajpet taluk and a part of Nagamangala taluk in Mandya district, and a part of Somwarpet taluk in Coorg district. The administration of the Division is under the charge of an Executive Engineer (Electrical) of the Mysore State Electricity Board who is directly responsible to the Superintending Engineer (Electrical), Mysore State Electricity Board, Mysore Circle, Mysore. There are four electrical sub-divisions under this Division, with their headquarters at Hassan, Holenarsipur, Saklespur and Chikmagalur, and each of these is under the charge of an Assistant Engineer (Electrical). The Executive Engineer of the Division is assisted in his duties by these four Assistant Engineers, besides a host of other functionaries numbering, in all, about 770, including 22 Junior Engineers, 59 Supervisors, and a number of technical, ministerial and class IV staff.

**Mysore's  
progressive  
policy**

Mysore is a pioneer in the field of industrial development. The State's entry into the field may be said to have begun with the inauguration of the Mysore Economic Conference in the year 1911. The establishment of the Department of Industries and Commerce in 1913 further stimulated the industrial activities of the State. The Department undertook investigation regarding setting up of several industries and furnished advice and assistance to various persons and private industrial enterprises. The Government followed a progressive policy of encouraging and developing industries in the State. It initiated industrial concerns for which facilities were available and managed them till such time as they were able to stand on their own legs. However, certain vital industries which required huge capital and high technical skill were continued to be managed by Government in the larger interests of the State.

A Road Emulsion Factory was set up at Hassan around 1940 by the State Government with a working capital of about Rs. 0.25 lakh. However, the factory seems to have been closed down later on. According to the return of "large industrial establishments" in the Mysore State for the year 1939, published by the Department of Industries and Commerce, there were six seasonal factories in Hassan district—four for cotton-ginning, one for tea curing and one for milling rice—employing 1,177 persons. (Mysore Census, 1941, Industry in Mysore, 1942, p. 6).

The district is predominantly agricultural in character and about 79.5 per cent of its population is dependent on agriculture, while a little over 1.5 per cent is engaged in household industries. However, persons engaged in "manufacture other than household industry" constitute only about 0.84 per cent of the total population of the district. This clearly shows that the district has not yet developed industrially and further and greater efforts are needed for bringing about an allround industrial climate in the district, which, in turn, depends on the extensive utilisation of the agricultural, mineral and livestock resources, in which the district is fairly rich. With this end in view, the Central Small Industries Organisation (Small Industries Service Institute), Bangalore, conducted an industrial survey of the district recently, in the course of which it not only examined the potentialities of the existing small-scale industries in the district but also explored the new industrial possibilities. The findings of the Institute are contained in its Small Scale Industry Area Survey Report published in 1967. But before dealing with this aspect of the subject, it would be appropriate to touch upon the other bigger or medium-scale industries in the district.

#### LARGE AND MEDIUM-SCALE INDUSTRIES

As already stated earlier, there is only one large-scale industry in the strict sense of the term, in the district, and that is the Mysore Implements Factory at Hassan. An Asbestos Factory of the Mysore Asbestos Private Ltd., has recently come up at Hole-narsipur for producing asbestos fibre out of raw asbestos found in that area. Further there are three Coffee-curing Works at Hassan, which, though fall under the category of small-scale industries, are bigger units with a total capital investment of over 45 lakhs of rupees. A brief account of each of these bigger industries is given in the following paragraphs.

The Mysore Implements Factory was established at Hassan **Mysore** in 1940 by the Government of Mysore with a capital of Rs. 1.50 **Implements** lakhs in order to cater to the needs of agriculturists, owners of **Factory** estates and gardens and engineering departments by manufacturing and supplying various agricultural implements. Though big machines of all types have been and are being produced for work on land, there are still a great many jobs of the farm, garden and forest that are done by hand with simple tools. Agricultural implements are necessary, therefore, for every type of cultivator. As the establishment of the factory coincided with the outbreak of the second world war, the forging machinery required for mass production could not be obtained. Instead, locally available machinery had to be procured, which necessitated the employment of more labour in the earlier years.

This factory, which is owned and managed by the Government of Mysore, is one of the biggest of its kind in South India. The machinery and equipment of the factory have been gradually improved over the years. Agricultural implements like *mumties*, hammers, pick-axes, shovels, crowbars, trenching hoes, felling axes, ploughs, wheel barrows and sheet metalware are the main lines of manufacture undertaken by this factory. Lately, it has also taken up the manufacture of light structurals, transmission line towers and also manufacture of R.C.C. poles required by the Mysore State Electricity Board.

The main items of raw materials required by the factory are high carbon and mild steel sections, furnace oil, paints and varnishes, charcoal and wooden handles for shovels, etc. Of these, the steel sections are obtained from the Mysore Iron and Steel Ltd., Bhadravati, the Hindustan Steel Ltd., the Tata Iron and Steel Ltd., and other stockists at Madras, Kanpur, etc. The furnace oil is procured from the Indian Oil Corporation, while the paints and varnishes are obtained from the Mysore Lac and Paints Ltd., the Shalimar Paints Ltd., and such other sources. Only the requirements of charcoal, at the rate of about 300 bags per month, and the wooden handles are procured within the district.

Substantial expansion of this factory with up-to-date machinery and other equipment, besides construction of additional buildings at a cost of Rs. 13,01,416 was taken up and completed under the Second Five-Year Plan. The manufacture of *mumties*, pick-axes, sledge hammers, etc., which had very good demand, was mechanised.

Under the Third Five-Year Plan, the scheme of expansion and modernisation, started during the previous Plan, was continued. As a result, the production and sales of implements registered a marked increase during this period as could be seen from the following figures :—

<i>Period</i>	<i>Production (value in Rs.)</i>	<i>Sales (value in Rs.)</i>
I Plan period (1951-1956) ..	19,11,000	21,24,250
II Plan period (1956-1961) ..	55,44,710	56,81,712
III Plan period (1961-1966) ..	1,36,88,652	1,32,57,418

The value of production and sales of implements of the factory, which were just Rs. 75,000 and Rs. 65,175 respectively at



the beginning (1940-41), had gone up to Rs. 38,37,517 and Rs. 37,55,892 respectively by 1966-67. There was, however, a shortfall in both production and sales during the subsequent year (1967-68) and the factory sustained also a net loss of over six lakhs of rupees during that year. This was attributed to the heavy interest, *viz.*, Rs. 4,18,470, that had to be paid on the capital and the huge investment on expansion programmes. The factory, which was started with an initial capital investment of about Rs. 1½ lakhs, had, by the end of 1970, an invested capital of over Rs. 89 lakhs. At one time, *i.e.*, during 1945-47, the factory had a labour force of over 500 persons. But with the gradual mechanisation of the factory and the introduction of labour saving devices, their number was also correspondingly reduced, so much so that there were only about 300 persons working in the factory during 1970-71. This has, however, not resulted in any tangible decrease in the total wage bill of the factory, which had reached an all-time new high of about Rs. 4.36 lakhs in 1967-68 as against Rs. 1.32 lakhs in 1945-46 when the factory had as many as 522 workers. A statement indicating the working of the factory at a glance right from its inception upto the end of 1970-71 is appended at the end of the Chapter.

The implements and tools are manufactured out of high carbon steel and are scientifically heat-treated and tempered so as to ensure strength and durability. The products are subject to rigid tests before delivery to the consumers. For marketing the products of this concern, there is a network of selling agencies all over the country, Messrs. Mysore Sales International Ltd. being the principal agents. The factory is also registered with the Directorate-General of Supplies and Disposals in respect of some of its products and has been running a rate-contract with it for the supply of *pourahs* to the Defence, Railway and Public Works Departments. The products of the factory are popular not only within the State but are also exported to several of the other States in the country including Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Uttar Pradesh, Punjab, Haryana, West Bengal, etc., in varying quantities. **Export**

With a view to further expanding the factory and taking up new lines of manufacture, a new development scheme, costing about Rs. 40 lakhs, is now under implementation under the Fourth Five Year Plan. When this scheme is fully implemented, the total value of production of the factory is expected to go up to about Rs. 100 lakhs. Since agriculture in India is being gradually mechanised and more and more tractors and power tillers are coming into use, the factory is being geared to diversify its lines of production and take up manufacture of tractor and tiller implements and the like. With the completion of the

Hassan-Mangalore Railway Project, some of the present transport bottlenecks of the factory would be overcome insofar as the despatch of articles from and import of machinery and equipment to the factory are concerned.

**Mysore  
Asbestos  
Private Ltd.**

The Mysore Asbestos Private Ltd. was promoted in 1966 by the Mysore State Industrial Investment and Development Corporation Ltd., for the purpose of establishing a factory at Holenarsipur in Hassan district for producing asbestos fibre out of the raw asbestos found in abundance in the district. The authorised share capital of the company is Rs. 20 lakhs, consisting of 20,000 equity shares of Rs. 100 each, the issued capital being Rs. five lakhs. The Mysore State Industrial Investment and Development Corporation Ltd. has subscribed two lakhs of rupees towards the share capital of the Company. Though the Company was first started as a Public Limited Company, it was later converted into a non-Government Private Limited Company and is managed by a Board of Directors consisting of five members including a Chairman and a Managing Director. The capital investment of the concern in 1969 was estimated at Rs. 7.5 lakhs.

The construction of the factory buildings was taken up by the Company on a 17-acre plot at Kadavinakote, about two miles from Holenarsipur town, by the side of the Holenarsipur—Hassan road and was completed in 1968. The required machinery was also obtained from indigenous sources and erected during the same year. The factory went into production actually at the close of December 1968 and was formally inaugurated on 6th January 1969. The present installed capacity of the factory is four tonnes of asbestos fibre per day and the total production during the year, *i.e.*, 1968-69, was about 123 tonnes. In fact, this production was achieved only during the last quarter of the year since the factory started production late in the year. The total production had, however, gone up to 400 tonnes by October 1970, the number of persons employed being only 13. The third annual report of the Company relating to the year 1968-69 disclosed that there was an overall net loss of Rs. 40,690 during the year after providing for depreciation, etc. The Company has, therefore, initiated several measures, including the broadening of its equity base, aimed at placing the Company on a sound footing. Ultimately, the total investment on the factory is expected to go up to about Rs. 80 lakhs with a daily production capacity of 100 tonnes of various asbestos products like corrugated sheets, plain sheets, pipes, mill boards, shingles, etc.

**Coffee Curing  
Works**

Hassan is one of the major coffee-producing districts in Mysore State. The area under coffee cultivation in the district in 1967-68 was 21,371 hectares with a total production of about 6,900 tonnes. Till 1961, the coffee produced in the district used

to be entirely sent either to Chickmagalur or to Mangalore for curing purposes for want of any curing works within the district. This deficiency was overcome, to a certain extent, with the establishment of the Kothari Coffee Curing Works near Hassan town in 1961, with a total capital investment of about 13 lakhs of rupees. The installed capacity of the Works is 4,000 tonnes, as against which it cured 3,000 tonnes of coffee during 1967 valued at about Rs. one crore. The number of workers employed in the factory during the working season of that year was about 260. Another factory for curing coffee, viz., the Bharati Coffee Curing Works, was established at Hassan in the year 1962 on the Bangalore-Mangalore road, with a total capital investment of about Rs. 10.5 lakhs and an installed capacity of 3,500 tonnes. During 1967, the Works cured 1,500 tonnes of coffee seeds valued at about Rs. 50 lakhs and employed 155 workers. The Mysore State Financial Corporation is understood to have extended financial assistance to the tune of Rs. 6.15 lakhs to this factory, by way of loan. Another factory, the third in the series, came into existence in 1964, with an installed capacity for curing 4,500 tonnes of coffee seeds per annum. Also located on the Bangalore-Mangalore road at Hassan, this factory, known as the Hassan Coffee Curing Works, has a total invested capital of about Rs. 22.45 lakhs. About 3,250 tonnes of coffee seeds valued at Rs. 1.2 crores were processed by this factory during 1967, employing about 250 persons. Yet another coffee curing works called the Planters Coffee Curing Works (P) Ltd., is reported to have come up at Hassan on the Belur road recently i.e., on 12th April 1971.

Coffee curing is only a seasonal work and, as such, these factories, which work on behalf of the Indian Coffee Board, do not have full work throughout the year. The curing season generally commences in December and lasts till the middle of May every year. On arrival at the Works, the raw coffee is first dried in the sun, then mechanically shelled, winnowed, graded and packed ready for marketing by the Coffee Board.

Mysore was one of the earliest States in India to establish, as far back as 1894, a department for the exploration and exploitation of ores and minerals. Since its inception, the Department of Mines and Geology has been undertaking systematic geological and mineral surveys with a view "to deciphering the geology of the State and also to prove its economic mineral resources". As already stated earlier, the district of Hassan is rich in mineral resources. Among the important minerals found in the district are chromite, kaolin, asbestos, corundum, beryl, garnet, kyanite, mica and soapstone. To this list is now added copper, which is found in the Kalyadi area to an extent of about 1.5 million tonnes. It is learnt that during 1959, minerals worth about Rs. 2.07 lakhs

**Mining  
Industry**

were produced from the mines in the district and that there were eleven mines in the district in 1960 with an employment potential of about 390 persons.<sup>1</sup>

The chromite deposits found in Hassan district are said to be among the best in India. Chromite is required in large quantities by the steel mills for the manufacture of stainless steel and basic refractories. Though an extent of about 20,000 tons of chromite ore was being mined in the district between 1916 and 1930 on an average, it came down later to an average of less than 10,000 tons per annum, the quantity mined during the years 1960, 1961 and 1962 being 7,462, 3,253 and 7,902 tonnes respectively, of a total value of about Rs. 7.23 lakhs. It is estimated that the total quantity of chromite ore mined in the district from 1916 to 1962 worked out to about 4,50,000 tons, the bulk of it coming from the two mines at Byrapur and Bhaktarahalli.

Near Bageshpur in Arsikere taluk are found numerous exposures of kaolin (china clay) of a pleasing white colour. There are two groups of deposits called Appenahalli and Nandihalli deposits. In about 1943 the State Department of Mines and Geology took up large-scale mining and washing of the china clay from these deposits in the Bageshpur region with a view to supplying kaolin to the Mysore Iron and Steel Works Ltd., the Mysore Paper Mills Ltd., and the Government Porcelain Factory. For this purpose, a fairly elaborate washing plant was first constructed, about a mile to the west of Bageshpur. This was followed by the construction of another plant on the eastern side as well. The mining and washing operations were later taken over by the Board of Mineral Development of Mysore (now the Mysore Minerals Ltd.). The annual production of raw-clay from these deposits ranged, until recently, from 25,000 to 30,000 tonnes and kaolin or the washed and finished product from 7,500 to 9,000 tonnes.<sup>2</sup> It is understood that during the years 1961, 1962 and 1963, kaolin to the tune of 6,309, 7,137 and 6,340 tonnes valued at Rs. 2.15 lakhs, 1.93 lakhs and 1.91 lakhs respectively was produced in the district from these mines. Besides, the production of raw-clay during 1962 and 1963 amounted to 22,738 tonnes and 24,369 tonnes valued at Rs. 0.67 lakh and Rs. 1.00 lakh respectively. During 1968-69 and 1969-70, however, the production of china-clay and alu-clay in the Bageshpur Kaolin Works averaged 100 tonnes and 700 tonnes per month valued at Rs. 13,000 and Rs. 33,600 respectively, the number of persons employed being about 120.

1. Techno-Economic Survey of Mysore, National Council of Applied Economic Research, New Delhi, 1965, p. 301.

2. Mineral Resources of Hassan, Mandya and Mysore Districts, Bulletin No. 28, Department of Mines and Geology, Bangalore, 1968.

The name asbestos is usually applied to the six or seven different types of minerals which have developed a fibrous structure and whose fibres, separable with varying degrees of ease, possess varying physical properties. They fall under two well-recognised groups, *viz.*, the amphibole asbestos and the chrysotile or serpentine asbestos. The amphibole variety, which yields stiff fibres, is found to the east of Holenarsipur and also near Idegondanhalli, Kabbur, Yenneholeranganabetta, Hiretalal, Kattakere, Bettadasatenhalli, and further north beyond the Hemavathy river, near Mavinakere. The chrysotile variety is also found in a few of these places.

Between 1915 and 1930, there was an intermittent production of asbestos in the district and the total quantity produced during that period amounted to about 5,000 tons. Till about 1949, there was very little production of asbestos generally in the State; the quantum of production in the district during the period from 1949 to 1954 was a little over 800 tons. On an average, the production during most of these years was only between 5 and 50 tons a year\*. Since then, there has been a wide fluctuation in the quantum of production of this mineral in the district. While the production in 1960 was 294 tonnes valued at Rs. 43,350, it was only 33 tonnes valued at Rs. 5,000 in 1961. In 1963, 198 tonnes worth about Rs. 11,840 were produced. Now that an Asbestos Factory has been set up near Holenarsipur, the mining activity in respect of this mineral is expected to increase in the coming years.

Beryl is found about 1½ miles north, north-east of Dodkadnur in Holenarsipur taluk. It is reported that over 200 tons of beryl had been taken out from this deposit till 1958. In 1960, the output was 20 tonnes valued at about Rs. 10,000, while it was 21 tonnes in 1961 valued at Rs. 11,000. The production had, however, gone down to 15 tonnes in 1962 and to 11 tonnes in 1963, their corresponding values being Rs. 7,500 and Rs. 6,000. Corundum is found at several places in the Arsikere, Hassan and Channarayapatna taluks. It is reported that an extent of 127 tonnes of this mineral was produced in the district in 1960, while the production in 1961 was 240 tonnes valued at about Rs. 25,000. Among the other minerals mined in the district may be mentioned soapstone, garnet, kyanite and mica. A quantity of about 16,270 tonnes of soapstone worth Rs. 35,064 was mined in the district at Bageshpur in 1963, while the quantity of garnet mined was about 240 tonnes valued at Rs. 23,500 in 1960. The production of kyanite during 1960 amounted to 36 tonnes valued at about Rs. 3,500, while the mining of mica was very little, with

\*Mineral Resources of Hassan, Mandya and Mysore Districts, Bulletin No. 28, Department of Mines and Geology, Bangalore, 1968.

a production of only two tonnes valued at about Rs. 3,500. In short, there seems to have been a perceptible fall in the production of many of the economic minerals in the district from the beginning of the present decade (1961). A statement showing the production of various economic minerals in the district during the period from 1964 to 1969 is appended at the end of the chapter. During 1970, there were 15 active mining lease-holders in the district, four for mining asbestos, three each for chromite and corundum, two each for kaolin and soapstone and one for kyanite, covering a total extent of 3,807 hectares. Of these, six leases were held by the Mysore Minerals Limited, the duration of the lease ranging from 10 to 20 years.

### SMALL-SCALE INDUSTRIES

Small-scale industries play a vital role in the modern economy. Providing greater employment and income opportunities, they act as a great stabilising force. They contribute to a faster rate of industrial development by serving as feeder and ancillary units. In view of this, greater importance has been attached to them in the industrial policy resolution of the Government and the successive Five-Year Plans. Several promotional measures have been undertaken for their healthy development.

According to the "Small-Scale Industry Area Survey Report on Industrial Development Potentialities of Hassan District" published by the Small Industries Service Institute, Bangalore, in March 1967, there were 99 different types of registered small-scale industrial units in the district at the time of the survey (1965-66). The total capital invested in these units was estimated at about Rs. 53.70 lakhs and approximately 1,625 persons were employed in them. The value of the estimated total production of various items and job works undertaken by these small-scale units was of the order of Rs. 69.67 lakhs during 1964-65. The total number of such registered small-scale industrial units had gone up to 110 by the end of 1968 and to about 160 by 1970, according to the Assistant Director of Industries and Commerce, Hassan district. These included oil and rice mills, saw-mills, wood industries, match industries, units for making agricultural implements, cotton-ginning and pressing units, brass and other metal works, general engineering workshops, coir industrial units and the like. A brief account of some of the important small-scale industries in the district as in 1968 is given in the following paragraphs.

#### General Engineering

There were 18 general engineering and auto-repair workshops in the district during 1968, of which as many as 13 were located at Hassan and the rest at Arsikere and Sakleshpur. Of these, the

Webb's Sales and Service on the Bangalore-Mangalore road at Hassan was the biggest unit, with an estimated total capital investment of about Rs. 4.50 lakhs. These workshops mostly undertook repairs of machine parts, servicing of oil engines, auto-repairs, lubrication and servicing of tractors and trucks, manufacture of small machine parts, coffee pulpers, bolts and nuts and such other jobs. The total capital investment in these workshops was estimated at Rs. 10 lakhs and they together employed about 140 persons. The total value of production and job works done by these units during 1966-67 was reported to be about Rs. 4.65 lakhs.

According to the survey report of the Small Industries Service Institute, most of these units are not well-equipped. As a result, a large amount of repair work, which could easily be done within the district, is going out to those neighbouring districts where there are better facilities. This is all the more true in respect of the auto-repair workshops. Since none of the units in the district is equipped with suitable modern machinery on account of the limited resources, the vehicles in the district are often taken either to Mangalore or Bangalore for major repairs and for replacements of auto-parts. There is, thus, a standing need for a few good automobile and modern engineering workshops in the district.

The number of ferrous and non-ferrous metal industries in the district in 1968 was 19, of which as many as 13 were concentrated at Shravanabelgola in Channarayapatna taluk. Of the rest, Hassan and Arsikere towns had two units each, while Kantharajapur (Channarayapatna taluk) and Sakleshpur had one each. As already stated earlier, Shravanabelgola is noted for its brass and copper industries even from early times. These units are engaged mostly in the manufacture of different kinds of brass and copper utensils, bell-metal plates, lamp-stands, buckets, pans and fancy art-ware. One of these units, *viz.*, the one at Sakleshpur is engaged in the manufacture of stainless steel utensils for domestic purposes.

The total invested capital of these units was estimated to be about Rs. 1.87 lakhs and they had together employed about 140 persons in 1968. Although the estimated total installed capacity of these units was 417 tonnes, they were able to produce, during 1966-67, only 71 tonnes of domestic utensils and other articles worth about Rs. 5.99 lakhs. Nearly half the number of these units were located in rented premises. While the individual capital investment of most of these units ranged from Rs. 1,000 to Rs. 5,000, only three units had invested a capital of Rs. 10,000 and above. In most cases, the tools and equipment used were still of the old type. It is learnt that this industry is experiencing

difficulty in procuring the necessary copper and brass sheets at economic prices in required quantities. Besides, consequent on the gradual increase in the use of aluminium and stainless steel utensils, the demand for some of the copper and brass utensils is reported to have gone down in recent years.

**Saw mills and  
Wood-based  
Industries**

Hassan being partly a *malnad* district, there were as many as 21 saw mills and 11 other wood-based industrial units in various parts of the district in 1968. However, nearly half the number of these units were located at Hassan, the remaining half having been spread over Arsikere, Belur, Sakleshpur, Channarayapatna, Holenarsipur and a few other places. Of the wood-based industries, six were furniture-making units, two wood-wool units, one ply-wood unit and two cart-making units. The saw mills were mainly engaged in sawing of timber and producing sizes and planks, packing cases, slate-frames and the like. While the saw mills had invested a capital of about Rs. 20.24 lakhs, the estimated capital investment of the other wood industries was about Rs. 3.61 lakhs. They had together provided employment to about 600 persons and produced wooden articles worth about Rs. 57.12 lakhs during 1966-67. Apart from internal consumption, these articles were sold at important industrial centres of the State and also exported to places in the States of Maharashtra, Gujarat, Tamil-Nadu, Andhra Pradesh and Kerala. Some of the saw mills obtain their supplies of wood, to a certain extent, from Coorg, Mysore and other places also. At times, the units face some difficulty in transporting timber logs from the forest areas to their work-spots. There does not seem to be much scope for new units to come up in the district.

**Match Industry**

There was just one factory at Hassan in 1956 for the manufacture of match-splints in the whole district; but this number had increased to eight by 1968. In addition, there were two other factories engaged in the manufacture of safety matches. Of the eight factories producing match-splints, five were located at Hassan and one each at Arsikere, Alur and Holenarsipur. One of the factories manufacturing safety matches was also located at Hassan and the other at Shantigrama. The match-splints are manufactured from soft-wood with the help of peeling and chopping machines. The products are sold to the match factories both within and outside the district.

These units had together invested a capital of about Rs. 5.70 lakhs and provided employment to about 400 persons. During 1966-67, they produced match-splints, veneers and safety matches worth about Rs. 16.70 lakhs. It is reported that the units are unable to utilise their installed capacities due to shortage of supply of suitable timber in the area and that large-scale match



factories like the Wimco have taken possession of vast areas of forests on lease on a long-term basis as a result of which softwood is not easily available to these small-scale units. Thus at present there is practically not much scope for the establishment of new units in this sector in the district.

With about 70,860 acres under coconut cultivation in 1969-70, Hassan district is also noted for its coir industry. There were seven coir industrial units including two Government Coir Mechanised Units in the district in 1968, of which six were in Arsikere taluk (four at Arsikere proper and one each at Banavara and Doddametukurke) and one at Hiresave in Channarayapatna taluk. The products manufactured by these units were curled coir ropes, coir brushes, coir mattresses, coir bristle and spinning fibre and the like. Of all the units, the Karnataka Coir Products Ltd., on the Bangalore-Honnar road at Arsikere established in 1966, is the biggest. The estimated total capital investment of this factory was about Rs. seven lakhs and its production during 1966-67 was worth about Rs. two lakhs, the number of persons employed being 73. The next biggest unit was the Meena Enterprises, also at Arsikere, established in the year 1963. However, the earliest unit to be established was the Taluk Coir Industrial Co-operative Society Ltd., also at Arsikere, in the year 1960.

**Coir Industries**

The total capital investment of all these units in 1967 was about Rs. 9.10 lakhs and they produced articles worth about Rs. 3.43 lakhs during that year. They had together employed about 140 persons. This industry has good prospects in the district since there is very good demand for coir bristles, ropes and mattresses throughout the State as also outside. The raw material required for this industry is also available in plenty both within and outside the district.

In addition to the seven units referred to above, two more coir mechanised units have been set up, one at Didaga in Channarayapatna taluk and another at Gandasi in Arsikere taluk by the Government in recent years. The State Social Welfare Department has been running a Coir Training Unit at Arsikere since 1965-66 for the benefit of women belonging to the Scheduled Castes and Tribes. Some of the women trained in this unit are employed, on piece-work basis, in the Scheduled Caste Coir Workers' Co-operative Society started at the place in 1969.

There were 19 printing presses in the district at the beginning of 1968, of which 12 were located at Hassan, two each at Arsikere, Belur, and Sakleshpur and one at Channarayapatna. Almost all the presses were power-operated and they undertook printing and book-binding works. Some of them also undertook

**Printing  
Presses**

the preparation of rubber-stamps. On an average, only three to four persons were employed in a press, the total number of employees in them being about 70.

The total capital investment of these units was about Rs. 2.70 lakhs and the value of their production during 1966-67 was estimated at about Rs. 2.28 lakhs. With the educational advancement and the gradual increase in the number of those who read the 'printed words', there is good scope for further development of the printing industry in the district.

**Cotton ginning  
and pressing**

The cultivation of cotton in the district, especially in Arsikere taluk, has been responsible for the establishment of a few cotton ginning and pressing factories in the district. According to the survey of the Small Industries Service Institute, there were three such registered units in the district in 1966 with a total capital investment of about Rs. 7.11 lakhs. During 1964-65, they had ginned and pressed cotton worth about Rs. 12.15 lakhs and had employed about 290 persons. Before the introduction of ginning factories, the cleaning of cotton from its seeds, leaves and dirt was carried on under the traditional methods, which were not only laborious but also time-consuming. Some of these methods are said to be still being pursued in the district by some of the smaller units.

It was in the year 1936 that the earliest cotton-ginning factory in the district was established at Arsikere in the private sector. However, the biggest of the units is the Co-operative Cotton Processing Society Ltd., Arsikere, which was established in October 1942, at the initiative of the cotton-growers of the area. The Society has jurisdiction not only over Hassan district but also over the neighbouring districts of Chikmagalur, Tumkur and Mandya and it undertakes both ginning and pressing of cotton. Though the erection of ginning machinery and construction of godowns were completed by 1950, it was only in 1959 that the factory attained its full capacity. It has now twelve gins with a capacity to gin 100 quintals a day, the capacity of the press being 100 bales (of 180 kgs. each) a day. But it is reported that the factory has not been in a position to work to its full capacity for several years now due to periodic failure of cotton crop in the area and the consequent inability of the Society to pool the required quantity of cotton.

To work as an economic unit, the factory has to gin not less than 10,000 quintals of *kapas* and press not less than 2,000 bales of cotton per year. But as against this, during 1965-66 and 1966-67, the factory actually ginned only 2,780 and 3,932 quintals of *kapas* and pressed only 550 and 750 bales of cotton respectively. The total sales realisations during the corresponding years

were Rs. 4.00 lakhs and Rs. 4.20 lakhs and, in addition, the factory earned Rs. 22,797 and Rs. 25,223 by way of ginning and pressing hire charges and Rs. 7,852 and Rs. 7,940 by way of commission respectively during those years. On the whole, the factory has been working under loss, the total accumulated loss at the end of 1966-67 being Rs. 65,110. The Society had 1,194 members on its roll during 1967-68 with a total share capital of Rs. 1,48,494. It had invested about Rs. 3.39 lakhs on land, buildings, plant and machinery and employed about a hundred persons.

The Hassan district is also a rich rice-producing area with about 1,35,920 acres in 1967-68 under paddy cultivation. This has enabled the establishment of a number of rice mills, both big and small, in all parts of the district. It is estimated that including small hullers and shellers, there are nearly 200 rice mills in the district, more number of them being found in Hassan and Arsikere taluks. However, the number of bigger and registered rice mills, according to the survey of the Small Industries Service Institute, was only nine in 1966, with a total capital investment of about Rs. 3.16 lakhs; they had together employed 53 persons and the value of their output (services) was about Rs. 0.54 lakh.

There were six oil mills in the district at the beginning of 1968, all but one of them being located at Arsikere. The other unit, which is a smaller one, was located at Channarayapatna. The earliest unit to be established was the Lakshmi Rotary Oil Mills in 1957 at Arsikere. These units had invested a total capital of about Rs. 3.16 lakhs and produced oils worth about Rs. 11.75 lakhs during 1966-67, the number of persons employed being about 35. Of the six units, one was producing coconut oil and cake, one til oil and cake and the rest groundnut oil and cake. One of the units was also producing castor oil in addition to groundnut oil. Steam engines, boilers, expellers, rotary machines and filter presses are generally the plant and machinery used in this industry.

Washing soap was being manufactured by five small-scale units in the district in 1966-67. Of these, four units were located at Hassan and one at Arsikere, M/s. Hassan Soap Works being the earliest unit to be established in 1956. The industry had a total capital investment of about Rs. 0.80 lakh and employed about 30 workers, the total value of soaps produced being Rs. 1.95 lakhs. The units are reported to be facing shortage of essential raw materials and are unable to utilise their full capacities. Besides, the products are facing keen competition in the market from the large-scale manufacturers as also from the small-scale units around the district. Hence, there appears to be not much scope for the expansion of this industry in this district.

**Tiles factories**

The first tiles factory in the district, viz., the Bharati Tiles Factory, was established near the Railway Station at Hassan in 1948. After about a decade was established the second factory at Kenchamma-Hoskote in Alur taluk in the year 1958. These were the only two small-scale tiles units in the district as at the end of 1967 and they produced not only roofing tiles but also floor tiles and ridges. The total capital investment of these units was about Rs. 2.12 lakhs and they produced tiles worth about Rs. 2.30 lakhs during 1966-67, the number of persons employed being 103. It is reported that these units are not in a position to meet the entire demand for tiles in the district and that a considerable percentage of the demand still continues to be met by supplies from the tiles factories in South Kanara district. Clay suitable for the manufacture of roofing tiles of Mangalore pattern is available in plenty in parts of Hassan and Arsikere taluks. These factors show that there is scope for the expansion of this industry in the district to a certain extent. But while doing so, it has to be borne in mind that, of late, there has been a swing towards construction of buildings with reinforced cement concrete roofing, and this might act as a check against increase in demand for roofing tiles in the coming years.

**Agricultural implements**

There were about half-a-dozen small-scale industrial units in the district manufacturing iron ploughs and other agricultural implements, sugarcane crushers, bullock carts, etc. The total capital investment of these units was estimated at Rs. 1.62 lakhs and they employed about 50 persons. During 1964-65, they produced implements worth about Rs. 1.26 lakhs and sold them generally to the local customers within the district. It is reported that most of these units are not fully equipped with required tools and implements and that some of the units have to depend on raw materials from open market and have not enough capital to purchase them in bulk as a result of which production is low. Since the demand for improved agricultural implements is fairly good within the district, these units could be advantageously mechanised and improved with modern tools and equipment so as to cater to the growing needs of the agriculturists for modern agricultural and farm implements.

**Cotton fabrics**

There was just one small-scale textile mill in the district at Keralapura in Arkalgud taluk at the beginning of 1968. It was established in 1960 in the private sector for the manufacture of cotton fabrics from power-looms with a capital investment of about Rs. 0.55 lakh. During 1966-67, it produced cotton fabrics worth about Rs. two lakhs, employing about 30 persons. By 1970, the number of small-scale textile units in the district were reported to have gone up to about four.

**Plantation equipment**

Although the *malnad* region of Hassan district is noted for its plantation crops like coffee and cardamom, the district had

only one small-scale unit for the manufacture of plantation equipments like coffee pulpers, sprayers and the like at Sakleshpur. Established in the year 1955, the unit had invested a capital of about Rs. 0.79 lakh. During 1966-67, it produced articles worth about Rs. 1.48 lakhs and employed 17 workers. The products of the unit are sold mostly to the local coffee estate owners. There is considerable scope for further development of this industry in the district since there is good demand for plantation equipment not only in Hassan district but also in the neighbouring *malnad* districts of Chikmagalur and Coorg. It is estimated that the demand for various types of plantation and farm equipments in these three districts is of the order of about Rs. 25 lakhs annually and that even the Mysore Implements Factory at Hassan, which is producing a number of items, is not in a position to meet the current demands.

There was a coconut desiccating factory at Arsikere with a capital investment of about Rs. 1.10 lakhs, employing about 10 persons. It was consuming about 2,000 coconuts daily. There are also other small-scale industries in the district such as rolling mills, tyre-retreading units, coffee-grinding units, units for the manufacture of readymade garments, bone-meal, soapnut powder, camphor, bangles, etc. According to the Assistant Director of Industries and Commerce, Hassan district, the total number of small-scale industrial units in the district, both registered and un-registered, had gone up to about 220 by 1970.

The khadi and village industries are of considerable importance in improving the economic condition of the rural population. In fact "improvement of agriculture largely depends upon the resuscitation of small-scale rural industries. In a place like Mysore particularly, where agriculture is the mainstay of the population, provision of subsidiary occupations is a great necessity. In the absence of these auxiliaries, there will be an exodus of rural population to industrial centres during periods of enforced inactivity in agriculture. This will put out of gear the tranquillity of rural economy". Realising this fact, the Government of Mysore have been encouraging and assisting the khadi and village industries in the State.

"The Mysore Government is unique in regarding the development of the khadi industry as falling within the sphere of the State's activities and in giving it a place among the key industries. Side by side with khadi, a number of industries subsidiary to agriculture have been introduced, and attempts are being made to improve other existing cottage industries such as hand-made paper, coir-making, flaying, tanning and leather-stitching, pottery,

\*" Industrial Development of Mysore " by R. Balakrishna, 1940, pp. 60-61.

smithy, mat-weaving, wool-spinning and weaving, working in brass and bangle-making. Much cannot be said to have been achieved, however, and much more has to be done if the small industries have to produce for their workers a reasonable standard of living".\* This was the policy and approach of the Mysore Government towards khadi and other rural industries about 25 years ago and they hold good even to-day to a large extent. There are about twenty different types of village and cottage industries spread all over the Hassan district, the more important among them being handloom-weaving, oil gana, pottery, carpentry and blacksmithy, leather stitching, goldsmithy, bee-keeping, mat and basket-weaving and the like.

#### Handloom weaving

Handloom weaving is an important ancient industry which has survived even to this day. This industry has been experiencing difficult times ever since the mill-made fabrics of the British Indian cotton mills came into the market. However, ever since the founding of the Mysore Industries Department, the State has been endeavouring to support the handloom industry. According to the previous Mysore Gazetteer (Vol. V, p. 921), there were about 1,700 handloom units in Hassan district in 1928-29 producing handloom fabrics worth about Rs. 2.33 lakhs. According to the 1941 census, 614 families in the district consisting of 3,041 persons, were engaged in handloom weaving. More than woollen or silk weaving, cotton-weaving has been popular in the district. According to the 1961 census, there were about 1,100 weavers (including drawers) in the district.

It was estimated that there were 3,527 handlooms engaged in the weaving of cotton, silk and woollen fabrics in this district in 1964. The important centres of handloom weaving are in Hassan, Holenarsipur, Arkalgud and Arsikere taluks. Shanti-grama, Keralapura, Basavapatna, Konanur and Holenarsipur are particularly notable for handloom production. About 67 per cent of the handlooms, viz., 2,350, had been brought under the co-operative fold by the year 1968. Generally, fly-shuttle pitlooms are used. Antiquated pitlooms of throw-shuttle type are also used to a small extent. Dobbies are used according to the type of weaving. Frame-looms, take-up motion attachments and pedal looms were once very rare but now under the successive Five-Year Plans, they are being supplied to the weavers. The main handloom products of this district are dhoties, bed-sheets, sarees and checks. In Holenarsipur and Arsikere taluks, there are wool-weavers and *kamblies* are produced there. Out of the 3,527 handlooms in the district, about 650 looms were connected with woollen-weaving and about 70 with silk-weaving in 1968.

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\* *A Plan for the Economic Development of Mysore* by P.H. Krishna Rao, 1946, pp. 28-29.

The economic and technical conditions of this indigenous industry were not sound. As a class, the weavers had extreme financial hardships. Because of indebtedness, some of the weavers had ceased to be self-employed and were employed on a piece wage basis by a handful of financiers. Even those who were self-employed, usually depended upon the local yarn-dealers, as they could not buy yarn for cash in the wholesale market. The practice of buying on credit from the local dealers entailed a heavy loss on the weavers. Besides, the weavers were also deprived of a free market, as they had to sell the fabrics at unfair prices to the dealers who had advanced the yarn on credit. On the technical side also, the conditions were equally defective.

With a view to setting right these defects and improving the economic condition of the weavers, several measures have been undertaken by the Government in recent years. Financial assistance, both in the form of grants and loans, has been given to the weavers. Co-operative Societies of weavers have been organised for the purchase of materials and marketing of their products, and all assistance to the weavers is channelised through these societies. Demonstrations on the new and improved processes of manufacture of handloom fabrics are conducted and some selected weavers are imparted training in such processes. Efforts are being made to stimulate the demand for handloom products by organising exhibitions, etc. A scheme for the payment of rebate on sales of handloom fabrics has been introduced.

In pursuance of the scheme of bringing the weavers under the co-operative fold, eleven cotton weavers' co-operative societies, one silk-weavers' co-operative society and six woollen-weavers' co-operative societies have been organised in the district. Besides being given technical advice, these weavers' co-operative societies were sanctioned considerable amounts as loans for working capital from the funds provided from the plan schemes and also from the schemes sponsored by the Reserve Bank of India. Loans were also given for share capital. The weavers' co-operatives were also supplied with improved weaving equipments. For improving the sales, three sales depots were set up one each at Hassan, Arsikere and Channarayapatna. In addition, two dye-houses were sanctioned for the benefit of the weavers' societies at Holenarsipur and Basavapatna. In the Second Plan period, a total expenditure of Rs. 1.89 lakhs was incurred on several handloom schemes, while the expenditure incurred during the Third Five-Year Plan period was about

**Weavers'  
Co-operative  
Societies**

Rs. 3.28 lakhs. The statement given below shows the actual position of different societies in the district as in 1969-70.—

<i>Sl. No.</i>	<i>Name of society</i>	<i>No. of members</i>	<i>Share capital</i>	<i>Govt. loan advanced</i>
1	2	3	4	5
			Rs.	Rs.
<b>Cotton-Weavers' Co-operative Societies</b>				
1.	Sri Neelakantheshwara Weavers' Co-operative Society, Basavapatna ..	311	4,394	15,200
2.	Sri Ramasahaya Weavers' Co-operative Society, Holenarsipur ..	203	5,005	17,000
3.	Sri Rama Weavers' Co-operative Society, Keralapura ..	141	2 046	11,977
4.	Taluk Weavers' Co-operative Society, Arsikere ..	121	3,307	1,451
5.	Sri Rama Weavers' Co-operative Society, Arkalgud ..	112	822	..
6.	Sri Siddivinayakaswamy Weavers' Co-operative Society, Shantigrama. ..	93	2,074	7,100
7.	Sri Nanjundeshwara Weavers' Society, Konanur ..	47	409	7,800
8.	Sri Ramalinga Chowdeshwari Weavers' Co-operative Society, Hassan. ..	40	1,520	10,000
9.	Sri Ramalinga Chowdeshwari Weavers' Co-operative Society, Chikkalkur. ..	37	966	1,085
10.	Sri Ramalinga Chowdeshwari Weavers' Co-operative Society, Holenarsipur. ..	35	1,350	5,000
11.	Taluk Weavers' Co-operative Society, Channarayapatna. ..	26	654	6,400
	Total ..	1,166	22,547	83,013



Sl. No.	Name of society	No. of members	Share capital	Govt. loan advanced
1	2	3	4	5
			Rs.	Rs.
<b>Woollen Weavers' Co-operative Societies</b>				
12.	Sri Revanasiddeshwaraswamy Woollen Weavers' Co-operative Society, Kenkere.	.. 268	5,982	19,820
13.	Taluk Woollen Weavers' Co-operative Society, Holenarsipur.	.. 189	730	3,280
14.	Sri Beeralingeshwaraswamy Woollen Weavers' Co-operative Society, Arkalgud.	.. 166	2,943	9,680
15.	Woollen Weavers' Co-operative Society, Dinka.	.. 70	500	..
16.	Sri Revanasiddeshwaraswamy Woollen Weavers' Co-operative Society, Santheshivara.	.. 56	875	..
17.	Sri Mylaralingeshwaraswamy Woollen Weavers' Co-operative Society, Chagachagere.	.. 52	1,981	9,843
Total ..		801	13,011	42,623
<b>Silk-Weavers' Co-operative Society</b>				
18.	Sri Nanjundeshwaraswamy Silk Weavers' Co-operative Society, Konanur.	.. 51	3,631	18,212
GRAND TOTAL ..		2,018	39,189	1,43,848

During 1967-68, these societies produced handloom fabrics worth about Rs. 82,000 and the sales effected were of the order of a little over Rs. 80,000. As against this, during 1968-69, Rs. 89,530 worth of fabrics were produced and Rs. 77,150 worth of fabrics were sold. When compared to the total number of looms possessed by the members of these societies, the production can be said to be low. This is due to the fact that some of the societies have become inactive in recent years.

Under a scheme of providing power-looms to the weavers, 47 Power-loom power-looms were allotted to eight of the cotton-weavers' co-operative societies in the district by 1968. However, 17 of the Scheme

power-looms had to be subsequently withdrawn and transferred to some other societies outside the district for want of enough response from the weavers of the district. There are thus now (1969-70) only 30 power-looms in the district, of which 14 are in the co-operative sector. It is reported that the plain and *patta* shirtings and *chadders* of 20 to 40 counts which are being manufactured on these power-looms, do not have much demand in the market. Under this scheme, a sum of Rs. 1,17,135 as loan and another sum of Rs. 8,550 as grant have been provided to the weavers' societies by the Government to enable the former to purchase the looms and their accessories, to raise the necessary share and working capitals, etc.

#### Bee-keeping

The people around Sakleshpur have practised bee-keeping in their homes from time immemorial. The bounty of nature has made bee-keeping an important cottage industry in this part of the district. It is learnt that about 5,120 families in about 230 villages of Sakleshpur, Belur and Alur taluks are engaged in bee-keeping in one way or the other. In 1940, a Bee-keepers' Co-operative Society was established at Sakleshpur with the main object of inducing the pot-hive-keepers to adopt modern methods of bee-keeping and for providing facilities for the marketing of honey and bee-wax produced by the members of the society. Honey and wax are produced by the members of the society by keeping bee-boxes in their villages. The society has jurisdiction over the entire Manjarabad taluk and parts of Belur and Alur taluks in Hassan district, as also over the taluks of Chikmagalur and Mudigere in Chikmagalur district. At the beginning, it had only 48 members with a share capital of just 184 rupees; but by the end of 1967-68, the membership had increased to 2,648 and the share capital had correspondingly gone up to Rs. 19,715. The society purchases the raw honey and wax produced by its members, processes them and sells them. It also distributes bee-hive boxes, honey-extractors, supers and the like among the members at subsidised rates. Besides, it also provides training in modern methods of bee-keeping to interested candidates. Between 1954 and 1968, the society had distributed 16,644 bee-hive boxes and imparted training to about 250 persons. The society has received much encouragement and assistance from the Khadi and Village Industries Commission. The latter has extended financial assistance to the tune of Rs. 6.34 lakhs during the period from 1954 to 1968. The State Government has also given a financial assistance of about Rs. 33,000 (Rs. 30,000 as loan and Rs. 3,000 as grant) to the society. The latter has constructed a building of its own at a cost of about Rs. 81,000 at Sakleshpur. There are two branches of this society in Chikmagalur district, one at Mudigere and another at Aldur.

The society handles, on an average, about 75,000 kgs. of honey annually, about 90 per cent of which is exported to other

States like Andhra Pradesh, Maharashtra, Tamil-Nadu, Kerala and even to Delhi. During 1967-68, it purchased 78,665 kgs. of honey from its members and sold about 79,200 kgs., the quantity of wax purchased and sold being 10,886 kgs. and 9,797 kgs. respectively. The total turnover of sales of honey and wax during that year amounted to Rs. 4,25,123. The society earned a net profit of Rs. 35,392 during 1967-68 as against Rs. 27,264 during the previous year. A portion of this amount, i.e., Rs. 10,100, was distributed as rebate among bee-keepers at the rate of 0-59 paise per kilogram of apary honey supplied to the society. A sum of Rs. 7,668 was likewise distributed during 1966-67 also. The society celebrated its silver jubilee in April 1967.

A Bee-keeping Demonstration Centre has been started at Arkalgud and placed under the charge of a qualified demonstrator. He gives technical assistance and guidance in colonising the bees, scientific method of bee-keeping, honey extraction, etc., to the bee-keepers of the district.

The vegetable oil industry is fairly old in this district. Oil *ganas* Before the establishment of oil mills, oil was produced mainly by means of village *ganas* which are existing even now. Oilseed pressing by means of *ganas* is carried on as a family occupation by a class of people known as *ganagars* whose hereditary occupation is crushing of oilseeds and selling of oil. Oil is produced from gingelly, castor, coconut and groundnut seeds in *ganas* and wooden mills driven by a pair of bullocks. Oilseed pressing in *ganas* driven by bullocks is called the 'cold process'. One great disadvantage with the country *ganas* is the cost of maintaining the bullocks. The animals used for this hard work deteriorate rapidly. Further, the yield of oil is greater in oil mills and the cost of pressing is also cheaper. According to the census of 1961, 114 families in Hassan district, consisting of about 600 persons, were engaged in oilseed pressing.

The main centres of production of oil by this method in the district are Hassan, Hulikal and Salagame in Hassan taluk, Arsikere, Kanakatte and Banavara in Arsikere taluk, Shrivana-belgola, Belur and Arkalgud. It is estimated that there are nearly 210 oil *ganas* in the district. With a view to improving the economic condition of those who are still depending on this indigenous industry for their livelihood, efforts have been made to bring them under the co-operative fold by organising industrial co-operative societies and extending them financial and other forms of assistance. During 1969-70, there were eight such oil *gana* industrial co-operatives in the district with a total membership of about 425. Of these, the Prasanna Venkatesh-wara Nadugana Co-operative Society at Hulikal in Hassan taluk

was the largest with a membership of 283. These societies together had a share capital of about Rs. 15,500 during that year. Two of the taluk rural industrial co-operative societies had also taken up this industry in addition to their other activities. The Mysore State Khadi and Village Industries Board has extended a total financial assistance of nearly Rs. 50,000 to these societies, of which a sum of Rs. 10,190 was in the form of grant and the rest as loan.

#### Pottery

Pottery has been one of the ancient and important rural industries in the district. According to the census of 1941, about 380 families, consisting of 1,752 members, were pursuing this occupation in the district. As against this, the number of potters in the district as per the 1961 census was a little over 1,500. The potters in the district have continued to make unglazed cooking pots. Among the other articles produced by them, mention may be made of earthen pitchers for drinking water, water jars, frying pans, dishes and the like. Although the gradual increase in the use of cheap metallic vessels has greatly decreased the demand for earthen-wares in recent years, there is still hardly any house which does not use one type of earthen vessel or the other.

Arkalgud and Konanur in Arkalgud taluk, Algodanahalli and Nagarannahalli in Holenarsipur taluk, Mavinakere in Arsikere taluk, Channarayapatna and Shravanabelgola in Channarayapatna taluk and Kattaya in Hassan taluk are among the important pottery centres in the district. Clays suitable for the manufacture of earthen-wares are available in plenty in various parts of the district. The equipment of the potter consists of the traditional wheel, frames and buckets. Making of quality earthen products depends more on the skill of hands than on equipment. Efforts have been made since the last about a decade to bring the potters also under the co-operative fold by organising industrial co-operative societies of potters. During 1969-70, there were eight such societies in the district with a total membership of about 270 potters and a share capital of Rs. 7,770. These societies have received a total financial assistance of about Rs. 49,300 (Rs. 37,536 in the form of loan and Rs. 11,750 in the form of grant) from the Mysore State Khadi and Village Industries Board.

#### Carpentry and Blacksmithy

Carpenters and blacksmiths play an important role in the rural economy of a district. The Hassan district has a number of carpentry and blacksmithy units dispersed all over the district. The 1941 census figures revealed that 183 families consisting of 787 persons and 224 families consisting of 1,055 persons were engaged in carpentry and blacksmithy respectively in the district. As against this, there were 1,472 carpenters and 890

blacksmiths in the district in 1961. While the carpenters in the urban areas mainly manufacture ordinary furniture of domestic use like cots, tables, chairs and benches, those in the rural areas mostly produce the common type of building fixtures like doors, windows and roofing materials and agricultural implements and bullock-carts, etc. The carpenters work in groups as well as in family circles. In each town, there are a few carpentry establishments and their number is on the increase in recent years due to the increased demand for furniture. Such of those individual carpenters as are unable to purchase the required quantities of wood on account of their poverty, work in bigger establishments on payment of wages. Every big village has at least one or two families engaged in blacksmithy. They produce and repair agricultural implements, retyre cart-wheels and undertake such other jobs. The artisans in these industries generally use old type of tools and equipment and they are financially unable to replace them by improved kinds. In order to obviate their difficulties, industrial co-operatives of carpenters and blacksmiths are proposed to be organised wherever possible.

While in the 1941 census 44 families consisting of 212 **Leather Industry** members were recorded as engaged in leather-stitching and relative jobs in Hassan district, the number of leather workers in the district, according to the 1961 census, was 688. They are mostly engaged in the manufacture and repair of shoes and chappals. On the basis of the number of animals killed in the various slaughter houses in the district and the average mortality of cattle owing to natural causes, it is estimated that about 1.46 lakhs of hides and 0.74 lakh skins are available annually in the district. In spite of the plentiful availability of these raw materials, no organised tanneries have come up in the district. At present, almost the entire quantity of hides and skins collected is sent to the tanneries in Bangalore, Mangalore and Madras for processing. In order to help develop the leather industry in the district, five leather craft co-operative societies have been organised, one each at Hassan, Gorur, Bagur, Channarayapatna and Harnahalli, with a total membership of about 540 and a share capital of Rs. 5,170. Of these, the society at Harnahalli in Arsikere taluk is the largest in that it has nearly 300 members and a share capital of Rs. 3,120, while the society at Gorur, which was registered in March 1955, is the oldest. These five societies together have received a loan of Rs. 29,400 and two of them a grant of Rs. 12,400 from the Mysore State Khadi and Village Industries Board.

The 1961 census has recorded that there were 1,333 **Gold and Silver-smithy** smiths (including silversmiths) in Hassan district during that year. They are engaged in the manufacture of small gold ornaments like ear and nose-rings, gold and stone-studded rings,

*thalies* used in marriages, wristlets and bangles, etc. The silversmiths also produced a few items of jewellery as also several other silver wares. In many cases, especially in the rural areas, the goldsmith and the silversmith is one and the same person. The enforcement of the Gold Control Order in the year 1963 by the Government of India considerably affected a number of goldsmiths in the district as elsewhere. With a view to rehabilitating them, several measures were undertaken by the Government including organisation of industrial co-operative societies of goldsmiths. During 1969-70, four such societies were functioning in the district, one each at Hassan, Arsikere, Sakleshpur and Holenarsipur, with a total membership of 370 and a share capital of Rs. 4,288. They had been assisted financially by the Government to the extent of Rs. 1,66,000 in order to enable them to undertake industrial activities such as manufacture of agricultural implements, steel and wooden furniture, household building materials etc.

Besides the financial assistance given to these societies, 330 individual goldsmiths have also been assisted financially to the tune of Rs. 1.23 lakhs, with a view to enabling them to start cottage industries, petty shops, etc. Educational concessions have been given to their children. Training facilities and employment assistance are also provided to them.

#### Mat and Basket making

Basket and mat-making from bamboo and date-palm leaves has been another rural industry which is in existence in the district from very early times. This industry provides full-time or part-time employment in the rural areas. It is learnt that there were over 310 mat and basket-making works in the district in 1930 producing articles worth about Rs. 21,300. In 1941, about 60 families consisting of 300 persons were understood to be pursuing the profession of basket and *thatti* making and eleven families consisting of 37 persons were engaged in mat-making, while, according to the 1961 census, the number of basket-weavers in the district was about 1,330. Besides baskets, mats and *gajje*, other articles of household use such as house-partitions and screens, tree-guards, cots, chairs, tables and trays are also made, especially from bamboo. But all the same, the economic condition of the people engaged in this industry is none too good.

With a view to ameliorating the conditions of the basket and mat-weavers in the district, attempts were made in recent years to bring as many of them as possible under the co-operative fold. Five industrial co-operatives were organised with a total membership of about 230 persons. The crafts pursued by the members of these societies were mainly *gajje* and basket-weaving, mat-weaving and bamboo work. Of these, two societies are reported to have since become defunct. The remaining three societies,

which have a total membership of 175, have been assisted by the Government financially. They have been advanced a working capital loan of Rs. 11,000 and a share capital loan of Rs. 1,400.

There are also several other village and cottage industries in the district such as brass and copperware industry, coir industry, hand-pounding of paddy, gur and khandasari units, hand-made paper, and palm-gur and neera units. Of these, the last-mentioned industry is understood to have now become defunct consequent on the relaxation of prohibition in the State in 1967. Such of these industries as are organised under the co-operative sector, have been extended financial and other forms of assistance by the Mysore State Khadi and Village Industries Board, as also by the Government. It is estimated that there were about 1,390 village and cottage industrial units in the district in 1970 in the unorganised sector.

Since 1961, the Mysore State Khadi and Village Industries Board has been maintaining a district office at Hassan with jurisdiction also over Chikmagalur district for administration and implementation of the various khadi and village industries schemes taken up in these districts. The Board not only extends financial assistance to several of the khadi and village industries, but also provides technical guidance and training facilities to those engaged in them. According to the District Officer of the Board stationed at Hassan, 46 khadi and village industrial co-operative societies and two other registered institutions in the district have 62 units of these industries, which include khadi, wool, pottery, leather, *gur* and khandasari, hand-pounding of paddy, hand-made paper, village oil, apiary and a few other industries. Efforts are being made to bring in some more village industries under the purview of the Khadi and Village Industries Board in the district. The total amount of financial assistance extended by the Board to the industrial co-operative societies in the district till 1969-70 was Rs. 18,06,414. Of this amount, Rs. 12,54,215 were given in the form of loans and Rs. 5,52,199 in the form of outright grants.

A Rural Industrialisation Scheme, as sponsored by the late Dr. M. Visvesvaraya, was introduced in Hassan district in 1954-55. It was the declared objective of the scheme to induce the rural people to take the initiative of establishing and developing small industries and, as far as possible, depend upon themselves without looking for external aid. For this purpose, the district was divided into group-circles, taking density of population as the main consideration. The people constituting each group area were to be made more or less responsible for their own earning and welfare. Everyone in the group area had his share of work under the scheme. An important feature of the scheme was the selection of a particular industry or industries,

which would be best suited to the area and which would give a fair return. At the commencement of the Second Five-Year Plan, this scheme was being implemented through Hobli Rural Industrial Co-operative Societies under the guidance of Village Development Committees. As it was later decided to amalgamate all the Hobli Rural Industrial Co-operative Societies into Taluk Rural Industrial Co-operative Societies at the taluk-level, eight Taluk Rural Industrial Co-operative Societies were formed by 1964. These societies continue to function and provide credit facilities for development of rural industries. But the work of the Rural Industrialisation Scheme, as such, was merged with the activities of the Industries and Commerce Department with effect from 1st January 1960. The Taluk Rural Industrial Co-operative Societies are affiliated to the Mysore State Industrial Co-operative Bank Ltd., Bangalore, which is the financing agency for these societies. During 1967-68, these societies had a total membership of 8,554, with a share capital of Rs. 1,85,870. They advance three types of loans, *viz.*, security loans, surety loans and small-scale industries loans. During 1967-68, the following amounts of loans were advanced by these societies to small industries in the district: (1) security loans—Rs. 69,412, (2) surety loans—Rs. 1,18,492 and (3) small-scale industries loans—Rs. 76,136.

**District  
Industrial  
Co-operative  
Bank**

With a view to developing the small-scale and cottage industries in the district by providing them with the necessary credit facilities, a District Industrial Co-operative Bank has been established at Hassan. The authorised share capital of the Bank, which was established in 1964, is Rs. 10 lakhs. It is through this Bank that all the Government financial assistance to the industrial co-operatives in the district is channelised. It also offers credit facilities to small-scale industrialists out of its own funds and renders all other routine banking facilities. Working capital loan, key loan, hypothecation loan, loans against deposits, loans against Government and other trust securities and gold loan are among the different kinds of loans advanced by this Bank.

Apart from granting considerable amounts of loans from Government funds, the Bank also granted, during 1967-68, loans amounting to Rs. 2,48,500 to 44 small-scale industrial units out of its own funds. During the next year, *i.e.*, 1968-69, another 38 units received loans amounting to Rs. 2.42 lakhs from the Bank. Among the types of industries that received these loans were saw mills, match factories, flour mills, coffee-grinding units, general engineering units, ready-made garment units, metal industries, wood industries and soap-manufacturing units.



The Second Five-Year Plan laid stress on the formation of **Industrial Co-operatives** various industrial co-operatives with a view to bringing the artisans of the district into the co-operative fold and to providing facilities and working capital. During the Second Plan period, 30 industrial co-operatives were organised in the district. The scheme of opening more such co-operatives continued during the Third Plan. As already stated earlier, the Rural Industrialisation Scheme sponsored by Dr. M. Visvesvaraya was introduced in the district during 1954-55 and by 1964, eight rural industrial co-operatives were organised. In 1969-70, there were in all 73 industrial co-operatives in the district (including the weavers' co-operatives and the other societies already referred to). Almost all these societies had received financial assistance, both as loans and grants, either from the Government or from the Mysore State Khadi and Village Industries Board. The statement given below indicates the number of different types of small-scale and khadi and village industrial and craft co-operative societies organised in the district so far, with particulars of their membership, share capital and financial assistance given as in 1969-70 :—

<i>Sl. No.</i>	<i>Types of societies</i>	<i>No. of societies</i>	<i>No. of members</i>	<i>Share capital</i> (in Rs.)	<i>Financial assistance given</i> (in Rs.)
1	2	3	4	5	6
1.	Weavers' Co-operative Societies ..	18	2,018	39,189	1,43,848
2.	Taluk Rural Industrial Co-operative Societies	8	10,461	2,48,202	..
3.	Pottery Craft Co-operative Societies ..	8	270	7,771	49,286
4.	Village Oil Co-operative Societies ..	8	424	15,302	36,420
5.	Leather Craft Co-operative Societies ..	5	541	5,169	41,800
6.	Palmgur and Neera Co-operative Societies	5	144	4,639	16,584

<i>Sl. No.</i>	<i>Types of societies</i>	<i>No. of societies</i>	<i>No. of members</i>	<i>Share capital</i> (in Rs.)	<i>Financial assistance given</i> (in Rs.)
1	2	3	4	5	6
7.	Goldsmiths' Industrial Co-operative Societies	4	369	4,288	1,66,000
8.	Handicraft Co-operative Societies ..	3	174	1,672	12,400
9.	Khadi Gramodyog Co-operative Societies.	4	487	21,302	6,60,936
10.	Coir Industrial Co-operative Societies ..	3	472	18,015	54,560
11.	Brass and Copper-ware Craft Co-operative Societies ..	2	204	5,003	17,000
12.	Hand-pounding of Paddy Co-operative Societies ..	2	60	5,986	1,35,824
13.	Other Miscellaneous Industrial Co-operative Societies ..	3	83	4,220	40,050
Total ..		73	15,707	3,80,758	13,74,708

It is reported that a few of these societies have since become defunct and efforts are being made to revive them, wherever possible, and liquidate the others which are beyond revival.

#### Home industrial activities

The Department of Industries and Commerce has been giving grants-in-aid to institutions like *mahila samajas* in the district for undertaking rural arts and crafts activities such as tailoring, embroidery work, knitting, rattan work, mat-weaving, doll-making, etc. Besides, equipments like sewing machines are also supplied to some of the institutions. Technical assistance, if required by the institutions, is also provided. About 20 registered *mahila samajas* are assisted by the Department in the district. The following amounts of maintenance and equipment

grants were given to these societies during the period from 1964-65 to 1967-68 :—

Year	Maintenance grant	Equipment grant	Total
	Rs.	Rs.	Rs.
1964-65 ..	7,968	10,770	18,738
1965-66 ..	18,000	5,355	23,355
1966-67 ..	16,598	2,745	19,343
1967-68 ..	12,527	1,360	13,887

During 1968-69, a total of Rs. 22,728 was given to the *mahila samajas* for similar purposes. In addition, six of the institutions had been given building grants of Rs. 22,267 till the end of 1967. It is reported that this scheme of granting financial aid to the *mahila samajas* by the Department of Industries and Commerce has been now discontinued. But they continue to get varying amounts of financial assistance from the block funds under the Community Development Programme as also from the State Social Welfare Board.

With a view to providing suitable factory accommodation and modern facilities to the small-scale industrialists, the State Government had originally proposed to establish two Industrial Estates in the district, one at Hassan and the other at Sakleshpur. But the inadequate response received from the small entrepreneurs at other places in the State led to the revision of this proposal and the Government decided instead to take up these two places as Industrial Development Areas and to prepare 46 developed plots and allot them to prospective small-scale industrialists. The Mysore Small Industries Corporation, Ltd., which has been entrusted with this responsibility, has already developed and allotted some plots in the Hassan Industrial Development Area, while at Sakleshpur it is yet to take up the work as acquisition proceedings to acquire the required land are still under way.

Even as a princely State, Mysore was a pioneer in the field of industrial development and the Government, in their declaration of industrial policy, had assured that all possible assistance would be given to help the growth of industries in the State, both in the public and private sectors. The Mysore State Aid to Industries Act, which was first adopted in 1951, had been helpful to the industrial entrepreneurs in the State. After the formation of the new Mysore State, a uniform Act called the Mysore State Aid to Industries Act, 1959, was passed which has laid down the mode and method of extending financial assistance for

**Industrial  
Development  
Areas**

**Credit facilities**

the establishment and development of industries. Under the Act, provision has been made to extend financial aid in the form of loan or bank guarantee to such of the industries as are not covered by the Mysore State Financial Corporation Act and also when the loan required does not exceed one lakh of rupees. The Director of Industries and Commerce in Mysore, Bangalore, is the statutory authority for sanctioning loans to industries under this Act. The Assistant Directors of Industries and Commerce stationed at the district headquarters have also powers to sanction loans under this Act up to Rs. 2,000 to small entrepreneurs and industries. In Hassan district, the following 20 small-scale industrial units had been granted loans to the tune of Rs. 1.92 lakhs under this Act up to the end of September 1970 :—

<i>Sl. No.</i>	<i>Type of Industry</i>	<i>No. of units</i>	<i>Loans granted</i> Rs.
1.	General Engineering Units .. ..	3	34,100
2.	Oil Mills .. ..	1	9,500
3.	Printing Presses .. ..	3	20,000
4.	Carpentry Units .. ..	4	6,900
5.	Match Industries .. ..	1	9,000
6.	Saw Mills .. ..	2	33,950
7.	Watch Repair Units .. ..	1	1,500
8.	Coir Industries .. ..	3	74,498
9.	Brick and Lime Industries .. ..	2	3,000
Total ..		20	1,92,448

The Mysore State Financial Corporation, which was established by the Government of Mysore in March 1959, also grants loans to various categories of industrial units, from Rs. 10,000 to Rs. 10 lakhs. Upto 1968-69, the corporation had sanctioned loans amounting to Rs. 15.16 lakhs to eleven industrial units in Hassan district as noted below :—

<i>Sl. No.</i>	<i>Type of Industry</i>	<i>No. of units</i>	<i>Loans granted</i> (in Rs.)
1.	Tile Factories .. ..	1	2,50,000
2.	Rice Mills .. ..	8	3,81,000
3.	Coffee Curing Works .. ..	1	8,15,000
4.	Match Industry .. ..	1	70,000
Total ..		11	15,16,000

Besides, as already stated earlier, the Hassan District Industrial Co-operative Bank has also been granting loans to small industries in the district, apart from disbursing the finances sanctioned by the Government to rural artisans, industrial co-operatives and the like. During 1967-68 and 1968-69, the Bank had granted loans amounting to Rs. 4,90,500 to as many as 82 small-scale industrial units in the district.

Some of the commercial banks have also been providing credit facilities to small-scale industries in the district in recent years. The pace of providing industrial credit by these banks has been accelerated after the recent nationalisation of the major banks, the Canara and Syndicate Banks taking the lead in this regard, followed by the State Bank of Mysore. The Vijaya Bank Ltd. has also entered the field. These banks together had advanced a total sum of Rs. 22.46 lakhs to 55 industrial units in the district up to the end of October 1970 as shown hereunder :—

<i>Sl. No.</i>	<i>Name of Bank</i>	<i>No. of industrial units financed</i>	<i>Total amount of finance advanced</i>
			Rs.
1.	Syndicate Bank ..	17	9,03,480
2.	Canara Bank ..	25	8,68,300
3.	State Bank of Mysore	7	4,23,000
4.	Vijaya Bank Ltd. ..	6	51,500
	Total ..	55	22,46,280

The Mysore State Khadi and Village Industries Board, as already stated, has also advanced as much as Rs. 18.06 lakhs to 62 units of khadi and village industries through 46 industrial and craft co-operative societies in the district.

The Department of Industries and Commerce helps small-scale industrial units to obtain machineries on a hire-purchase basis from the National Small Industries Corporation, New Delhi. Under this scheme, financial assistance is rendered to small industrial units for purchase of machines of the value exceeding Rs. 500, and repay the amount in easy instalments, normally spread over seven years. Up to the end of 1967-68, about 25 industrial units in the district had been supplied with different types of machineries under the scheme. These included coir industrial units, general engineering works, match industries, carpentry and blacksmithy units, printing presses, wood industries and the like. During the period from 1968-69 to 1970-71 (till the end of October 1970), eight more applications for supply of machinery worth about Rs. 1.40 lakhs under the scheme were recommended and accepted, while the value of machinery actually supplied during that period was Rs. 66,200 to three of the units.

**Supply of  
machinery on  
hire-purchase**

**Assistance to entrepreneurs**

With a view to assisting the entrepreneurs to establish and develop industries in the State, several useful measures have been undertaken by the Government in recent years. An organisation called the Mysore State Industrial Investment and Development Corporation was established in Bangalore in 1964-65. It offers complete project reports and marketing data and helps in obtaining industrial licences and possible concessions from Government and also participates in the share capital of such industries and underwrites new issues of shares. This Corporation has promoted the Mysore Asbestos Company which has its factory at Holenarsipur.

Scarce raw-materials such as non-ferrous metals (copper, zinc, lead and the like), B.P. and G.P. sheets, etc., are supplied to small-scale industries through the Mysore Small Industries Corporation, the Minerals and Metals Trading Corporation, New Delhi, and the State Trading Corporation of India. About 25 small-scale units in the district, mostly at Shravanabelgola and Sakleshpur, have been thus supplied with non-ferrous metals and B.P. sheets recently. The State Government are giving several incentives and concessions to new industries, such as assistance for preparation of feasibility studies, cash refund of sales-tax and octroi duties, exemption from payment of electricity duty and conversion fine for a period of five years.

According to the modifications made, in September 1970, in the rules relating to concessions and incentives to entrepreneurs for starting new industries, the latter will get exemption from payment of octroi for a period of five years from the date these units obtain industrial licences or get registered. Further, industrial units, which have been allotted land by the Mysore Industrial Areas Development Board after June 30, 1969, are, according to the modified rules, eligible for payment of the price of land in instalments, even if they had been registered before June 30, 1969. In addition, companies, partnerships or firms, which had been registered earlier, but had not gone into production before June 30, 1969, will get all concessions pertaining to sales-tax and electricity tax. Over and above these, the State Government have reserved 52 items of articles for being exclusively purchased from small-scale industrialists in the purchase programme of the State Government.

**Training facilities**

There was an Industrial School at Hassan as early as the 1930s. Prior to 1956, the Department of Industries and Commerce had set up a weaving centre at Hassan, a carpentry and cart-manufacturing centre at Arkalgud and two training centres, one relating to rattan work and the other to tailoring, at Holenarsipur. These training centres had their own syllabus and method of training. With a view to improving the system of

training, in place of these small centres a full-fledged Artisan Training Institute was started at the end of 1961 at Holenarsipur and an Industrial Training Institute at Hassan in March 1963. The former offered training facilities in carpentry, smithy, rattan, cane and bamboo work, mat weaving and tailoring; however, the training facility in respect of the last two trades had to be since stopped owing to poor response, and instead cotton-weaving and coir craft are proposed to be introduced. Candidates between the age of 14 and 30 years who have passed the primary fourth standard are eligible for admission to training. A period of one year has been fixed uniformly for each craft for institutional training followed by an in-service training of six months to each trainee in any modern workshop, factory or private institution. During the period of training, the local trainees were, until recently, being paid a monthly stipend of Rs. 20 each and those coming from mofussil areas Rs. 30 each; this stipend has now been raised to Rs. 30 and Rs. 40 respectively. Further, as a follow-up action to encourage the trainees to settle in the craft and pursue the same after training, they are given 'tools-kits' of the value of about Rs. 250 consisting of tools and equipment suitable to the crafts in which they received training; the cost of such kits is treated as an interest-free loan recoverable in easy annual instalments. The intake capacity of the Institute, which was originally fixed at 30 for each trade, was later reduced to 15. During the period from 1962-63 to 1966-67, about 265 artisans were trained in this Institute.

The Industrial Training Institute at Hassan, which is run by the Department of Employment and Training, trains candidates for jobs like those of machinists, welders, fitters, turners, electricians, etc. There is also a Polytechnic at Hassan which offers courses, at the diploma-level, in civil, mechanical and electrical engineering. Further, the Malnad College of Engineering at Hassan, run by the Malnad Technical Education Society, offers degree courses in civil, mechanical and electrical engineering. (For details, see Chapter XV). Thus, there are adequate facilities for industrial and technical training in the district, which is an essential factor for the industrial development of any area.

A Malnad Productivity Council has been functioning at Hassan since 1958 with the main object of creating productivity consciousness among the people and increasing production in both industrial and agricultural sectors. The jurisdiction of the Council extends not only over Hassan district but also over the districts of Chikmagalur and Shimoga. It organises meetings, seminars and lectures by experts on industry and agriculture with a view to educating the people on modern methods of production and encouraging them to start new industries with available local

**Malnad  
Productivity  
Council**

resources. Training courses are also conducted for the benefit of industrialists and industrial workers on modern techniques and methods of increasing productivity. It also guides the industrial units in respect of marketing, procuring of raw materials, finances, etc. During 1968-69, the Council had about 250 members consisting of industrialists and other individuals.

**Welfare of  
Industrial  
labour,**

With a view to promoting the welfare of industrial labour, which is an important factor for the development of industries, several Acts have been passed which are in force in the district (See Chapter XVII). The Employees' State Insurance Scheme has also been extended to the district in September 1970. There are no big industrial concerns in the district except the Mysore Implements Factory at Hassan. However, there are a number of rice mills, oil mills, ginning factories, coffee curing works and such other small industrial establishments, which have been already dealt with. These factories are providing free medical aid to the workers and some are providing free elementary education to the children of their workers. In addition, the women employed in factories are given maternity benefits under the law. The Mysore Implements Factory is maintaining also a rest house with facilities for indoor and out-door games. There is a Labour Association in this factory, which is registered under the Indian Trade Unions Act. It is maintaining a library for the benefit of the employees of the factory. A consumers' co-operative society, managed by the employees themselves, has been organised with the financial help of the management. The Asbestos Factory, which has recently come up at Holenarsipur, has provided its employees with goggles, inhaling masks and uniforms.

**Industrial  
potentialities**

There are considerable possibilities of industrial development in the district. According to the industrial survey report of the Small Industries Service Institute, Bangalore, referred to earlier, there is scope for the setting up of some wood, mineral and agro-based industries in the district in the small-scale sector. (For details, see Chapter IX).



Statement showing the particulars of the Mysore Implements Factory,  
Hassan, from its inception in 1940 to end of 1970-71

Year	Capital invested (in Rs.)	Production  (value in Rs.)	Sales	Working results (net profit/ loss)	No. of ment em- ployed	
1	2	3	4	5	6	
1940-41	1,76,926	75,000	65,175	—	4,649	291
1941-42	2,00,999	1,09,000	1,11,247	..	..	331
1942-43	2,47,161	1,98,000	2,40,268	+	70,074	290
1943-44	2,48,745	2,33,000	2,35,579	+	76,629	328
1944-45	2,48,887	2,50,000	2,50,006	+	43,493	375
1945-46	3,63,104	3,71,000	3,25,444	+	63,468	522
1946-47	3,85,605	4,90,000	4,99,782	+	43,387	510
1947-48	6,00,605	4,70,000	3,91,427	+	19,219	488
1948-49	6,41,981	5,16,000	3,64,531	+	20,713	430
1949-50	7,78,618	2,43,000	1,71,708	—	497	455
1950-51	7,81,411	2,67,000	3,65,109	—	1,397	361
1951-52	8,42,155	3,65,000	3,17,536	—	58,030	332
1952-53	9,03,206	3,04,000	3,06,371	—	1,21,339	256
1953-54	9,37,708	2,73,000	3,44,669	—	81,800	227
1954-55	8,32,733	4,13,000	5,00,153	—	30,729	239
1955-56	10,00,776	5,56,000	6,55,521	+	50,372	236
1956-57	10,87,522	7,89,600	8,05,779	+	72,167	236
1957-58	16,64,930	9,81,120	10,11,188	+	90,359	229
1958-59	18,50,849	12,08,828	12,60,346	+	1,23,742	252
1959-60	21,20,591	12,36,864	13,00,342	+	1,05,778	248
1960-61	22,56,281	13,28,298	13,04,057	+	13,483	247
1961-62	25,63,360	18,28,764	17,36,990	+	2,29,159	227
1962-63	28,00,560	19,91,094	18,97,892	+	1,84,520	221
1963-64	37,98,865	24,33,116	22,93,442	+	1,59,631	234
1964-65	41,43,096	36,54,073	34,88,461	+	4,88,406	286
1965-66	58,24,986	37,81,585	38,51,699	+	3,89,842	306
1966-67	72,06,508	38,37,517	37,55,892	—	1,91,554	299
1967-68	82,24,327	23,99,864	24,13,330	—	6,19,843	301
1968-69	81,18,149	27,09,196	25,65,080	—	5,55,157	300
1969-70	86,18,432	31,02,104	32,51,858	—	5,21,720	315
1970-71	89,57,608	34,60,328	36,62,866	—	9,76,763	309

## Production of Economic Minerals in Hassan District from 1964 to 1969

Mineral	1964		1965		1966		1967		1968		1969	
	Production	Value	Production	Value	Production	Value	Production	Value	Production	Value	Production	Value
I	2	3	4	5	6	7	8	9	10	11	12	13
	Tons	Rs.	Tons	Rs.	Tons	Rs.	Tons	Rs.	Tons	Rs.	Tons	Rs.
Asbestos ..	404	30,300	..	..	1,109	99,910	712	71,200	473	61,490	725	2,81,000
Chromite ..	2,830	86,598	780	27,300	..	..	..	..	3,682	2,08,140	5,018	2,64,000
Corundum ..	..	..	..	..	94	300	113	340	156	93,600	197	1,18,000
Refined clay ..	1,020	62,730	462	28,413	629	38,684	664	91,964	2,459	3,40,572	936	1,29,600
Raw clay ..	15,738	47,214	5,668	56,680	9,753	97,530	11,301	1,13,010	..	..	..	..
Aluminous clay ..	2,956	47,296	1,124	17,984	1,672	26,752	1,854	9,270	6,525	32,625	8,161	40,805
Soapstone ..	150	2,400	1,392	22,272	2,905	46,480	1,572	25,152	330	5,280	599*	10,000
Kyanite ..	..	..	..	..	..	..	..	..	..	..	17	1,700
Staurolite ..	..	..	..	..	..	..	..	..	..	..	21	21,000

\* Only 40 tons were cut into bricks.