

CHAPTER VI

BANKING, TRADE AND COMMERCE

If agriculture and industries represent productive activities, banking and other organised and unorganised monetary institutions accelerate the growth of production by capital formation and deployment of funds for productive purposes. At the same time, trading and commercial activities facilitate proper distribution of goods and services.

BANKING AND FINANCE

Before the advent of modern banking, in the beginning of the 18th century, money lending was so common that all those who had surplus money used to lend it against the tangible security of goods and services. At Mysore, there were rich money lenders who made advances even to the king and royal officers. The practice of bonded labour, outcome of heavy borrowing was not uncommon among the lower castes and tribals. The creditors exploiting the debtors by dubious ways and usurious practices, taking the undue advantage of the helplessness and the ignorance of the loanees in the absence of strict regulatory and enforcement measures by the Government was very common. Craft and commercial guilds and religious institutions like temples accepted deposits and functioned as bankers. Funds were deposited in temples, and out of the interest, certain services were rendered to the deity annually or at regular intervals. Some records from this district as well speak of such arrangements. One Bannur inscription of 1135 A.D. indicates that the rate of interest per *gadyana* per month was one *haga*, which works out to 30 per cent. Another from Chamarajanagar taluk of 1492 A.D. reveals that the rate of interest for 20 hons per year was 4 hons which works out to 20 per cent. But these were documented transactions of legal nature. The rate of interest charged in 1900 A.D. varied from 12 to 30 per cent. The periodical famines and

all other commitments forced agriculturist to approach money lenders. As a result of this, a large number of agricultural families groaned under heavy debts. This state of affairs called for intervention of the government with several legislative measures by the end of the last century and thereafter.

Earlier relief measures

In the modern period, the earlier economic relief measures of the British Government of the Commissioners extended to princely Mysore were the Takavi Loans Act (1876), Deccan Peasants Relief Act (1879), Land Reforms Loan Act (1883), Peasants Loan Act (1884) and the Mysore Land Improvement Loan Act (1890). These had very limited effects. In Kollegal area under the Madras Presidency, the regulated rate of interest was fixed at 12 per cent before 1885. The Madras Debtors Protection Act 1935 was the first legislative enactment for protecting small debtors who had borrowed a sum below Rs. 500. In 1936, Madras Debt Conciliation Act was ushered in to settle amicably all debts, and the rate of interest fixed was 9 per cent on secured and 15 per cent on unsecured. Later, the Madras Agriculturists Relief Act 1938 was enacted. In Mysore area, the Amildars were empowered to sanction Takavi loans under the Land Revenue Code upto Rs. 250, whereas the Assistant Commissioners and the Deputy Commissioners had powers to sanction an amount upto Rs. 500 and Rs. 1,000 respectively. The period of repayment of land improvement loans varied from 10 to 30 years according to the purpose of loans. In case of Takavi loans under the Land Revenue Code, repayment varied from one year to 10 years. During 1916-17, the amount of Takavi loan granted in the district in 47 cases was Rs. 6,055. During 1920-21, the Government had sanctioned Rs. 2,825 as Takavi loan, Rs. 1,180 as subsistence loan and Rs. 505 for sinking of irrigation wells. By 1924-25, the amount of loan so granted to these above purposes accounted to Rs. 39,017, Rs. 28,807 and Rs. 1,000 respectively. (All the above figures exclude Kollegal tq). Even after Independence the system of granting of Takavi loans continued for different purposes. The total amount of such loans granted in the district to enable the farmers to purchase oxen, bullock cart, fertilisers, etc. from 1951 onwards amounted to Rs. 19.01 lakhs. The major portion of this loan was availed by the peasants of taluks like Chamarajnagar (Rs. 10.48 lakhs), Kollegal (Rs. 2.18 lakhs), Hunsur (Rs. 1.31 lakhs), Gundlupet (Rs. 1.20 lakhs), Periyapatna (Rs. 1.15 lakhs), ecc. In 1983-84 the Government have exempted repayment of outstanding Takavi loan including the interest thereon. The Mysore Government had enacted the following legislations to regulate money lending : (i) the Mysore Usurious Loans Act 1923, (ii) Mysore Agriculturists Relief Act 1928,, (iii) the Mysore Debt Conciliation Act 1937, and (iv) the Mysore Money Lenders' Act 1939. The first Act empowered the courts to intervene when the interest charged by the creditor was excessive and transaction between the parties was unfair and extended the relief to the debtor from the liability

of any excessive interest. The second Act extended the benefit to those farmers whose annual income did not exceed Rs. 1,000. Under this the immoveable property which was not specifically mortgaged for debt was exempt from sale, and in case of all debts (secured or unsecured), courts permitted repayment of loan in instalments extending normally upto eight years. The relief earlier applicable to Malnad taluks was extended to all taluks in the Princely Mysore State in 1934. The third Act made a provision for the establishment of Conciliation Boards for an amicable settlement of agricultural debts. The Act of 1939 insisted on the money lenders keeping regular and proper accounts of their dealings and made a provision for the issue of receipts acknowledging the payments made by the debtor in addition to furnishing a debtor on demand a statement of accounts of debts indicating the principal and interest outstanding. The maximum rate of interest allowed was 9 per cent simple interest on secured loans and 12 per cent on unsecured. According to this Act, the molestation of a debtor was a cognisable offence and any infringement of the provisions of the Act was made punishable with fine or imprisonment or both.

After 1956

After the Reorganisation of the State, the new Acts *viz.* the Karnataka Money Lenders Act 1961 and the Karnataka Pawn Brokers Act 1961 were enacted and brought into effect in the district from 1962 and 1966 respectively. These two Acts and amendments thereon comprehensive in character, contain several stringent regulative and punitive measures so as to curb many unscrupulous and usurious practices of money lenders under the control of sub-divisional and district authorities of the Department of Co-operation. Under the Act, the present rate of interest on secured loans is 18 per cent, while on unsecured 21 per cent.

Volume of money lending

By December 1986, the district had 114 money lenders, 479 pawn brokers and 102 finance corporations. The total advances made by these agencies as in the above year amounted to Rs. 37.99 lakhs, Rs. 1,720.32 lakhs and Rs. 1,659.20 lakhs respectively. During 1986, Mysore proper had 39 money lenders, 307 pawn brokers and 63 finance corporations. The total advances made by money lenders, pawn brokers, and finance corporations in Mysore city by December 1986 accounted to Rs. 20.33 lakhs, Rs. 1,324.70 lakhs and Rs. 1,498.60 lakhs respectively as against the corresponding figures of previous year accounting to Rs. 96.00 lakhs, Rs. 459.80 lakhs and Rs. 325.40 lakhs respectively. By the end of March 1987, the total fees collected from money lenders, pawn brokers and finance corporations in the district was of Rs. 39,119 and the security deposit of Rs. 21.32 lakhs. The number of chits registered in the district by the end of March 1987 was 26 with a total deposit amount of Rs. 14.60 lakhs.

Finance Corporations

The finance corporations which are corporate finance institutions constituted either under Indian Partnership Act 1932 or under Companies Act 1956, also play a significant role in tapping deposits and financing local trade and commerce and self-employment activities. They are also governed by the Karnataka Money Lenders Act 1961. Generally, the rates of interest on deposits offered and charged on borrowings by these corporations are higher than that of commercial and co-operative banks and companies. Some of the finance corporations run chit schemes on commission basis. Interest payable on deposits varies from 12 to 18 per cent under different schemes, while the interest chargeable is 18 to 21 per cent on secured and unsecured loans respectively.

The first such corporation to be started in the district was Karnataka Finance Corporation at Mysore in 1970. The district has as many as 119 finance corporations registered as in March 1987 as against 104 in 1985 and majority of them (100) are functioning in Mysore city proper (1987) as against 43 in 1984 and 63 in 1986. By way of illustration, Karnataka Finance Corporation and Vinayaka Finance Corporation are briefed here-under.

The Karnataka Finance Corporation (Reg.)—Incorporated in 1970 under the Indian Partnership Act 1932 provides banking facilities like discounting of *hundis* and cheques, and advancing gold loans and loans for self-employment, etc., in addition to tapping all types of deposits. The capital held by the Corporation in 1987 was Rs. 99,000 as against Rs. 60,000 in the beginning. The volume of aggregate deposits mobilised by the Corporation by the end of December 1986 was Rs. 28 lakhs as against Rs. 27 lakhs and Rs. 23 lakhs in 1983 and 1980 respectively, while the advances made during 1986-87, 85-86 and 84-85 accounted to Rs. 15.50, 14.00 and 13.50 lakhs respectively. During 1986-87, the deployment of funds of the corporation was Rs. 8.09 lakhs *hundi* loans, Rs. 3.46 lakhs through discount of cheques, and Rs. 3.79 lakhs towards gold loan. The profit earned in the above years were of Rs. 1.50 lakhs, Rs. 35,000 and Rs. 52,000 respectively. The interest payable on deposits ranges between 13 to 15 per cent, while that on lending 18 per cent to 21 per cent. It has also donated funds for charities in Mysore and outside.

• **The Vinayaka Finance Corporation.**—Registered in 1982 was able to mobilise deposits of Rs. 5.38 lakhs during 1982 which further increased to Rs. 27.79 lakhs by the end of June 1987 through its schemes like F.D., Re-investment and Cumulative Deposits. The interest offered on F.D. by the Corporation is stated as 16 per cent (for 3 years and above) and 18 per cent (for five years and above). The Corporation provides facilities like discounting of short term bills, cheques and other negotiable instruments, advances on gold, hypothecation, mortgage, etc., to small scale industries,

merchants, *etc.* The loans and advances made by the Corporation during 1986-87 accounted to Rs. 50.16 lakhs for trading and industries, while on pledge of jewels Rs. 18.21 lakhs. The profit earned for 1986-87 amounted to Rs. 30,000. The Corporation also runs chits.

In recent years, many Central and State laws have been enacted to extend material relief to those who are very much oppressed economically and socially, and different poverty alleviation programmes have been launched by the State and Central Governments including Banking organisations.

D.I.R. Scheme

The differential interest rate scheme was introduced by the Central Government in 1973 as one of the anti-poverty programme with the main objectives of extending financial assistance to the specified weaker sections of the society including the SC/STs. Under this scheme, nationalised and non nationalised banks including RRBs are granting loans to the identified beneficiaries. The total amount advanced under the scheme in the district by the end of 1984, 1985 and 1986 accounted to Rs. 318.73, 253.87 and 330.76 lakhs respectively. In 1986, the highest contribution under D.I.R. scheme was that of Canara Bank (Rs. 122.40 lakhs) followed by S.B.M. (Rs. 81.01 lakhs) and Vijaya Bank (Rs. 31.24 lakhs) and the rest by other 27 banks.

Advances under 20 Point Programme

Commercial banks are also advancing under various schemes of 20 Point Programme such as Poverty alleviation, Better use of irrigation water, Bigger harvest, Health for all, Justice to SC/STs, Equality for women, Improvement of slums *etc.* The total advances outstanding in the district under this scheme by the end of 1986 accounted to Rs. 3,423.36 lakhs, the major share of this amount was lent by Cauvery Grammeena Bank (Rs. 1,299.06 lakhs) followed by Canara (Rs. 517.04 lakhs), S.B.M. (Rs. 449.59 lakhs) and Syndicate (Rs. 291.30 lakhs).

Karnataka Debt Relief Act 1976

The Karnataka Debt Relief Act mainly aims to extend material relief to the bonded labourers and other economically weaker sections of debtors whose annual income does not exceed Rs. 4,800 (initially Rs. 2,400 in 1976). According to the provisions of this Act, debt including interest outstanding of the above categories of debtors are not recoverable from any immovable or moveable properties belonging to the debtors and all decrees obtained by the creditors were declared as annulled and goods pledged are to be returned. This relief is not applicable to the loans secured from the Central and State Governments, Co-operatives and Companies, *etc.* Since inception upto the end of 1986, the total number of applications received seeking relief in the district was 28,233, the maximum being from T. Narasipur taluk (8,140), followed by Kollegal (4,516) and Chamarajnagar (3,085) and

the least from H.D. Kote, being 591. The total amount of debt involved was Rs. 314.14 lakhs. Of these applications (28,233), the number disposed off was 27,834 involving an amount of Rs. 312.05 lakhs. The number of people who sought relief under the scheme was 11,509 and of them, 3,542 were SCs, 136 STs. and the rest (7,831) were others.

Rural indebtedness

As a part of 1961 Census operations, three villages of the district *viz.* Ummathur (Chamarajnar taluk), Andipalya and Lokkanahally of Kollegal taluk were selected for exhaustive socio-economic survey representing different geographical, socio-economic and administrative background. If Ummathur was dominated by Lingayats (269 households), Andipalya by the Soligas (40 households) and Lokkanahally by the Vellala Goundas of Tamil origin (344 households) in addition to other communities. The Soligas of Andipalya were agricultural bonded labourers. The other two villages *viz.* Ummathur and Lokkanahally had agriculture and sericulture as main occupation with many natural advantages. The general trends of rural indebtedness as revealed by the survey in 1961 may be and large hold good even now unless the local conditions are strongly influenced by the factors like increased institutional credit, improved infrastructures like marketing transportation and other aspects like increase in agro-based, rural and cottage industries.

The survey has endorsed that except in the case of the Soligas, the percentage of households in debt increased in direct proportion to income range, reaching the peak in the highest income level (Rs. 100 and above p.m.) and average amount of outstanding loan in each group also increased with the rise in the income level due to their adequate holdings to offer as security and the quantum of loan owed by the cultivators was more than that of non-cultivators. The cultivators' spending was more for productive agricultural purposes. The households in lower income group were deprived of easy credit facilities and major portion of their loan money was spent for non-productive expenses like marriage, domestic and other social purposes, medical treatment, etc. The popular sources of loans in general were private money lenders who contributed about 97 to 99 per cent of the total debt at Lokkanahally and Ummathur, than the Government and Co-operatives because of easy availability of loan and accessibility of other sources. The survey has also revealed that well-to-do cultivators *i.e.*, 94 households at Lokkanahally were able to effect savings during 1961-62 by investing in land and gold, and by money lending. It is interesting to know that in a village like Lokkanahally with 751 households, there were 56 persons engaged in money lending without any registration at varying rates of interest *i.e.*, 12 to 18 per cent per year.

Regarding Andipalya predominated by the Soligas, who were mostly agricultural labourers employed by the landlords of Lokkanahally on fixed

wages "had no hope of emancipation" at any time in the future and "once a debtor always a debtor" was applicable to them fully. The well-to-do land holders were the main source of finance for the Soligas of Andipalya. Out of 44 households of Soligas, 31 were under indebtedness with a total amount of Rs. 6,950, the average debt being Rs. 224. According to the survey, it was quite evident that a Soliga used to become a bonded labourer of his master for the loan taken mostly for non-productive purposes like marriage, sickness, maintenance of household, etc. There was a practice of paying loan amount in advance to the Soliga debtor by master which has to be repaid when the Soliga used to change the master or leave the village. The loan amount is locally known as 'Modagadu'. If a Soliga debtor severs his connections with one land owner in favour of another, the latter has to reimburse the dues to the previous creditor before he could employ the Soliga. Though 'Modagadu' amount generally did not carry any interest, instances of unscrupulous landlords adding imaginary amount to the previous sum for varying reasons were not rare.

In 1974, the Directorate of Social Welfare and Backward Classes, Bangalore, undertook the survey of indebtedness among the tribals in Karnataka covering 10 villages in the State including two villages *viz.* Banoorgadde and Machur of H.D. Kote taluk of Mysore district predominated by the communities of the Jenu Kurubas, Betta Kurubas and the Yerawa community. Each village comprised of 40 and 26 households respectively in 1971, mainly being agricultural labourers. The survey has revealed that the annual income of the household in both the cases varied from Rs. 200 to 1,200 and the average annual income of the household worked out to Rs. 633 (Bannorgadde) and Rs. 790 (Machur). According to survey, these households did not avail the loan because, they had no security to offer and had poor repaying capacity.

COMMERCIAL BANKING

The history of modern commercial banking in the district can be traced from 1874 (six years later than Bangalore) when two banking companies *viz.* the Rajadhani Bank, Mysore, with a capital of Rs. 20,000 and the Town Bank, Mysore with Rs. 1,00,000 on limited liability were founded. But the span of life of these two pioneers was very short and they seem to have not continued beyond 1913. A decade thereafter, the establishment of the Nanjangudu Srikanteswara Swamy Bank Ltd. at Nanjangud in 1885 was very significant since it is the only bank originated in the district which served for nearly 80 years till its licence was refused in 1965. During the period of two-and-a-half decades (i.e. 1884 to 1908) as many as 17 joint stock companies, most of them combining banking and trading, were promoted in other places of the district, which included the Seringa Patam Town Bank (1891), Mysore National Bank (1891), Chamaraj-nagar Sri Chamarajeswara Bank (1892), Nanjanagudu Srinivas Bank (1893),

Chamarajanagar Sri Ranganath Bank (1894), Mandya Lakshmivilas Bank (1894), Gundlupet Sri Vijaya Narayanaswamy Bank (1895), Mysore Sarvajanavardhini Co. Ltd. (1895), Chamarajanagar Sri Srinivasa Swamy Bank (1896), Hunsur Bank (1897), Sri Srinivasaswamy Bank, Gundlupet (1897), Raja Rajeswari Bank, Gundlupet (1900), Sri Himayat Gopalkrishnaswamy Bank (1901), Gundlupet, and the Nanjanagudu Sri Nanjundeswara Bank (1908).

In addition to the above joint stock companies, during the period from 1913 to 1922 seven companies, styled as Banking and loan companies were also promoted and of them four were promoted in Chamarajanagar, one each at Gundlupet, Mysore and Nanjangud.

Agricultural Banks

In 1894, a scheme was launched by the Mysore Government in order to save the peasants from the ruinous interest rates of borrowing from money lenders styled as agricultural banks by adopting joint stock company principles in their structure and co-operative principles in their *modus operandi* of lending rates *etc.* on the principles of limited guarantee. The association was to consist of land holders enlisted on the basis of mutual confidence. Funds for these banks were floated by deposits and loans *etc.* and funds were deployed to the needy members at such moderate rates of interest allowing the bank to have a small margin for expenses and reserve fund. The loans were granted only for approved purposes like agricultural operations. The management of these banks was vested in the hands of an elected body.

The first such bank to be organised in the then Mysore district as well as in the princely State was at Palahalli (Srirangapattana tq) in December 1894 (with 17 associates) followed by second such bank at Nanjanagudu in July 1897 (with 53 associates). In the next year (1898), two more banks were opened one at Shrirangapattana (15 associates) another at Sargur (H. D. Kote tq., with 30 members). An official review of performance of these banks in 1901 revealed that there were 64 such banks in the princely State and they had not made much progress. The difference between the rate at which these banks were lending and money rates prevalent in rural parts stimulated excessive borrowings and most of the bank credit was misutilised by big land holders. By 1917, most of these banks became defunct.

Till the establishment of commercial bank branches, the local co-operative banks started as early as in 1906 were catering the local credit needs, together with the money lenders. In the meanwhile, the establishment of Mysore Bank at Bangalore (present S.B.M.) in 1913 in consonance with the recommendations of Mysore Economic Conferences (1912) was very significant in extending commercial banking facilities in old Mysore area till other commercial banks of Karnataka appeared on the banking map of the district in 1936. The bank was bestowed with financial participation

by the Maharaja's Government in the form of share capital and deposits, in addition to meeting managerial expenses partly in the initial years and other concessions. This helped the bank to grow on sound footings vested with the responsibilities of being a Government's Bank in the Princely State. The first branch of S.B.M. was opened in the district at Mysore in August 1914 (main branch), followed by its second branch in the district at K. R. Nagar in 1938 and the third branch at Mysore in 1943 (Market branch). The Corporation Bank, Mangalore (1906) was the first Dakshina Kannada originated bank to have banking business at Mysore in October 1936 by opening its branch. Earlier to this during the 1930's, a branch of the Quilon Bank was operating at Mysore which went into liquidation in 1939-40. By the end of December 1947, in addition to S.B.M., the banking companies operating in the district and their branches were as follows; The Corporation Bank (Mysore 1936), Syndicate Bank (Mysore 1945), Vysya Bank (Mysore 1945; Kollegal 1946), Canara Bank (Mysore 1946), Indian Overseas Bank (Mysore 1947) and the Punjab National Bank (Mysore 1947). By the end of 1947, the district had 10 branches of commercial banks (operated by seven banking cos.) and of them, eight were in Mysore city and one each at K. R. Nagar and Kollegal.

Launching of the economic development plans in 1951, improved infrastructural facilities, growing credit needs, liberal policy of the R.B.I. to facilitate geographical expansion of branches so as to mop up rural deposits and deployment of credit for agricultural and other allied activities on priority basis and later adoption of lead bank scheme soon after the Nationalisation, *etc.* have stimulated the expansion of branches in the district giving emphasis on unbanked, semi-urban and rural centres with growth. By the end of 1966, the number of branches of commercial banks in the district was 33 as against 25 in 1960. By July 1969 (the year of Nationalisation), the number of bank offices increased to 44 comprising of 23 urban, 12 semi-urban, and 9 rural branches and the population served per branch was 46,000, below the national average (65,00) and above the State average of (38,000).

By 1977, there was a conspicuous increase in the number of branches *i.e.* 144 which was mainly due to establishment of rural-oriented Cauveri Grammeena Bank in 1976, in consequence of which, there was a spurt in the number of rural branches, *i.e.* 56, urban 59, and semi-urban 29, which further reduced the ratio of average population per branch to 14,000, little more than the State figure of 13,000 and less than the national average of 20,000. Increase in the number of branches in the district specially during the post-nationalisation period also saw a spurt in the accretion of deposit harnessing as well as in deployment of credit, keeping in view the priority and other hitherto neglected sectors of the economy.

By the end of 1972, the figures of deposits and advances in the district accounted to Rs. 2,763 and 1,280 lakhs respectively as against Rs. 1,639

and 797 lakhs in 1969, and Rs. 1,174 and 544 lakhs by the end of 1966. By 1977, the total deposits mobilised in the district by the 144 branches (including Grameena bank branches) accounted to Rs. 6,587 lakhs and credit deployed accounted to Rs. 3,818 lakhs. By the end of 1985, the number of branches increased to 240 including 73 branches of R.R.B. The aggregate deposits held and advances made increased to Rs. 25,031.58 and 21,305.29 lakhs respectively. The share of the priority sector advances accounted to Rs. 11,278.25 lakhs. By 1986, the number of branches of commercial banks including branches of R.R.B. in the district increased to 240, operated by 30 banking companies. The Grameena Bank tops the list with 73 branches followed by S.B.M. (52), the Canara and the Vijaya 19 each. The population served per branch is reported as 10,000. The commercial banks in the district have adopted number of villages for their around development in addition to financing many sericulturist-cum-farmers service societies. The total number of commercial banks staff reported in the district was 3141 during 1986. The taluk-wise distribution of branches is quite uneven. More concentration of branches is found in Mysore taluk (90) followed by Kollegal and T.Narsipur (11 each), Nanjangud, Chamaraj-nagar and Hunsur (10 each). Other taluks have the following distribution: K.R. Nagar (8), Periyapatna (7), Gundlupet (4), H.D. Kote and Yelandur (3 each).

The table in p 321-22 indicates the bank-wise performance as in 1986:

(Rupees in lakhs)

Sl. no.	Name of the Bank	No. of branches	Deposits	Advances	Credit Deposit Ratio	O/s advances to P.S.	Ratio of P.S. to T. advances	O/s advances under DIR	O/s. advances under 20 PP
1		2	3	4	5	6	7	8	9
1.	State Bank of Mysore	52	8,846.53	5,524.68	62.45%	4,458.62	80.70%	81.01	449.59
2.	State Bank of India	7	922.08	2,225.20	241.32%	836.31	37.58%	2.63	61.13
3.	State Bank of Travancore	1	53.42	39.96	74.80%	39.01	97.62%	0.46	..
4.	Canara Bank	19	5,285.66	3,416.36	64.63%	1,890.21	55.32%	122.40	517.04
5.	Syndicate Bank	11	3,865.44	3,504.68	90.66%	1,523.37	43.46%	20.63	291.30
6.	Indian Overseas Bank	8	952.54	1,192.76	125.21%	744.63	62.42%	14.65	126.72
7.	Bank of Baroda	1	318.32	315.08	98.98%	186.02	59.03%	0.52	15.40
8.	Bank of Maharashtra	2	121.64	47.16	38.77%	24.33	51.59%	1.65	7.93
9.	Bank of India	3	334.95	244.39	72.96%	162.70	66.61%	3.18	13.82
10.	Indian Bank	4	586.78	1,363.61	232.38%	419.27	30.74%	4.94	35.75
11.	Central Bank of India	2	271.86	440.57	162.05%	157.43	35.73%	4.79	28.42
12.	UCO Bank	1	124.34	150.48	121.02%	56.92	37.82%	0.49	20.44
13.	Union Bank of India	2	280.32	272.90	97.35%	160.80	58.92%	8.49	60.97
14.	Dena Bank	1	115.20	115.86	100.57%	80.71	69.66%	0.73	2.97
15.	Federal Bank	1	29.62	25.54	86.22%	2.90	11.48%	0.09	..
16.	Punjab National Bank	2	518.21	525.84	101.47%	143.09	27.21%	4.36	4.64
17.	Punjab & Sind Bank	1	59.25	21.96	37.04%	6.38	29.06%	4.20	..
18.	Karnataka Bank	8	1,114.89	452.71	40.60%	231.91	51.22%	3.95	33.23
19.	Vijaya Bank	19	1,903.64	1,326.29	69.67%	815.19	61.46%	31.24	228.79

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	1	2	3	4	5	6	7	8	9
20. Vysya Bank		10	1,420.55	749.97	52.79%	334.19	44.56%	3.44	80.81
21. Karur Vysya Bank		1	141.74	95.47	67.35%	36.07	37.78%	0.01	0.10
22. Corporation Bank		4	1,043.92	366.70	35.12%	124.91	34.06%	10.51	34.02
23. Lakshmi Vilas Bank		1	43.96	28.75	65.40%	17.33	60.27%
24. Allahabad Bank		1	37.01	35.98	97.21%	20.23	56.22%	0.18	2.01
25. Andhra Bank		1	92.83	33.24	36.60%	20.42	61.43%	1.47	1.47
26. South Indian Bank		1	54.65	20.82	38.09%	8.37	40.20%	0.10	..
27. Catholic Syrian Bank		1	76.86	106.21	138.18%	52.21	49.15%	0.03	0.60
28. Nedungadi Bank		1	20.26	17.51	86.42%	5.63	32.09%	0.02	..
29. Cauvery Grameena Bank		73	968.66	1,727.00	178.28%	1,541.99	89.28%	4.28	1,299.06
30. State Bank of Hyderabad		1	14.57	12.11	83.11%	7.45	61.51%	0.39	..
Grand Total		240	29,619.70	24,399.78	82.38%	14,108.60	66.89%	330.76..	3,316.21

Grameena Bank

In accordance with the provisions of Regional Rural Bank Act 1976, the Cauvery Grameena Bank sponsored by State Bank of Mysore was set up at Mysore on 2nd October 1976, with an area of operation covering Mysore and Hassan districts. In addition to tapping rural deposits through the net-work of branches, the bank finances for such activities coming under priority sector with special emphasis on catering to the financial requirements of small and marginal farmers, agricultural labourers and other weaker sections, including those schemes drawn under anti-poverty programmes of the Government. In the year of commencement (1976), it opened five branches in the district. The first branch of the bank in the district was opened at Mysore on 2nd October 1976, followed by the second branch at Bilikere (Hunsur tq) on 8th October 1976. By the end of 1986, it had 73 branches in the district as against 56 in 1983 and 48 in 1980. The geographical distribution of these branches is 12 in H.D. Kote taluk followed by Nanjangud taluk (9) and Mysore and Kollegal taluks have eight branches each. In the year of establishment (1976), the bank was able to mobilise deposits of Rs. 14.28 lakhs and had lent Rs. 1.18 lakhs, registering conspicuous increase in subsequent years in deposits and lending. A novel deposit scheme 'Cauvery Bhagya Nidhi' introduced in 1985 has been well received. By the end of 1986, the total deposits held by the bank and advances made accounted to Rs. 969 lakhs and Rs. 1,727 lakhs respectively as against Rs.698 lakhs and Rs. 1,392 lakhs in 1985, the corresponding figures for 1984 accounted to Rs 565 lakhs and Rs. 1,258 lakhs respectively. Per branch, deposits and advances of the bank by the end of September 1987 was of Rs. 14.46 lakhs and Rs. 28.00 lakhs respectively as against Rs. 13.82 lakhs and Rs. 23.79 lakhs respectively by the end of December 1986. The total amount lent by the bank under D.I.R. for 1986, 1985 and 1984 accounted to Rs. 7.99, Rs. 4.39 and Rs. 4.73 lakhs respectively. The amount advanced by the bank under IRDP for 1986-87 was of Rs. 58.98 lakhs, covering 1,689 beneficiaries as against Rs. 25.09 lakhs (990 persons) for 1985-86 and Rs. 40.25 lakhs covering 931 beneficiaries for 1984-85. The bank has adopted Bettadahosur of T.N. Pura taluk for its alround development for which the financial assistance given for 1985-86 was Rs. 81,000 and for 1986-87 Rs. 9,000. Bank also renders technical and other services by conducting farmers' meets periodically. The total staff employed by the bank in Mysore district including the staff at Head Office at Mysore is 277 (1987). Due to lowspread between the funds borrowed and deployed, increase in overheads and low turnover, the loss suffered by the bank Rs. 25 lakhs in 1984 has increased to Rs. 51 lakhs in 1986.

Lead Bank Scheme

The 'Lead Bank Scheme' ushered in 1969 soon after the first bank nationalisation by R.B.I., envisages several remedial steps for correcting

the regional imbalances in respect of availability of banking services with an area approach (district) and ensures the bridging of credit gap among the various sectors of economy, through active involvement of banks and other financial institutions working in the district in a planned and co-ordinated manner under the leadership of the Lead Bank and other developmental agencies at the district level. The State Bank of Mysore with 52 branches in the district has been entrusted with this task of monitoring the scheme. The first credit plan prepared for the district covered the period from 1974-75 to 1978-79 and the second plan covered the period from 1980 to 1982 and thereafter annual action plans were prepared.

During 1984, the financial achievement of the annual plan of all bankable schemes in the district was Rs.3,550.87 lakhs as against the target fixed Rs. 1,964.97 lakhs registering the achievement of 180 per cent. During the next year (1985), the achievement was of Rs.4,938.49 lakhs as against the Plan outlay of Rs.3,578.76 lakhs recording 138 per cent achievement. During 1986, the total financial outlay was marked at Rs.4,025.74 lakhs with a break-up of Rs.1,276.54 lakhs as crop loan, Rs.1,089.56 lakhs as term loan, Rs.730.27 lakhs for small scale industries, while for service sector, the amount ear-marked was Rs.929.37 lakhs. The achievement reported for 1986 was Rs.4,881.26 lakhs, registering 121.25 per cent increase in the flow of credit. The break-up figures of achievement in each sector and its percentage was as follows : Crop loan Rs. 1,413.44 lakhs (110.72 per cent), Term loan Rs.1,399.32 (129.26 per cent), S.S.I. Rs.956.66 (131 per cent) and service sector Rs.1,111.84 lakhs (119.63 per cent).

Loan Melas

Recently, Loan Melas are organised to demonstrate the banking sector's commitments to the masses, and the commercial banks made advances to certain weaker and unorganised sections of the society including SC/STs who cannot offer tangible securities, by organising mass programmes called *melas*. During the last three years, *melas* were organised twice, one in May 1986 and another in June 1987 in the district at several places including Mysore city. The maximum loan that can be sanctioned under the scheme is Rs.5,000 carrying 12.5 per cent maximum interest. The loan sanctioned during May 1986 in the district was of Rs. 11.12 crores, covering 28,675 applicants and in June 1987 the total loan sanctioned was Rs. 20.46 crores covering 57,885 applicants. The percentage of recovery from such loans is reported as 15 to 20 in the district.

Abolition of Bonded Labour

The Bonded Labour System Abolition Act, 1976 (Central Act) mainly aims at abolishing the age-old evil practice of bonded labour, much evident in the district in the earlier decades specially among the Scheduled Tribes and the Scheduled Castes and to a certain extent even the Lingayaths, the Vokkaligas and the Kurubas were bonded labourers. According to the

Act, the indebted bonded labourers are deemed to have been extinguished and the debt payable to the landlords together with interest are deemed to have been discharged. Central and State Governments have launched various rehabilitation schemes under the Tribal Sub-Plan and Special Component Plans by forming Co-operatives for the welfare of the released bonded labourers. Central Government extends 50 per cent of the financial assistance for the schemes of rehabilitation of these bonded labourers. The relief is extended by means of providing income generating assets worth Rs. 4,000 per labourer. These assets include cows, goats, sheep, bullock and carts etc. in addition to bank loans. The assistance has been raised to Rs. 6,250 per schemes sanctioned from 1st February 1986. Mysore district has highest incidence of bonded labourers in the State and the post of the Special Officer has been created to attend to this work. The total number of such labourers, identified in the district upto 1981 is reported as 22,644 and of them as many as 18,644 belonged to the Scheduled Castes and 313 to the Tribes. Among the taluks, the numbers identified were T. N. Pura 2,937, Nanjangud 2,850, Periyapatna 2,577, Chamarajanagar 2,412 and Yelandur 931. The number of released bonded labourers rehabilitated so far is reported as 10,071, the highest being from Chamarajanagar taluk 1,057, followed by Kollegal (1,046) and Nanjangud (1,036).

INSURANCE

Life Insurance activities confined to Government servants were started in the district as well as in the princely State by the State Government Official Insurance Branch as early as in 1891. In 1916, the scheme was extended to the non-official public in the State. In the meanwhile, in June 1913, Mysore Government Security Life and Marriage Assurance Co. Ltd., was promoted at Mysore with a paid-up share capital of Rs. 3.21 lakhs to undertake insurance activities and its name was subsequently changed to Asiatic Government Security Life and General Assurance Co. Ltd., and the head office was later shifted to Bangalore. It was nationalised in 1956. After the nationalisation of life insurance business in India in 1956, considerable expansion has taken place in the insurance business of the district both in life and general assurance.

At present (1987) L.I.C. has six branch offices in the district and of them three are in Mysore City and the rest being at K. R. Nagar, Kollegal and Chamarajanagar. During 1980-81, the total number of life policies in force in the district was 11,012 with annual premium income of Rs. 3.11 crores and sum assured was of Rs. 12.97 crores. By 1985-86, the number of policies increased to 18,004 and the premium income for 1984-85 was Rs. 5.92 crores. The sum assured for 1985-86 was Rs. 32.08 crores. The number of active agents was 967 in 1985-86 as against 588 in 1980-81.

There is also a Postal Life Insurance Scheme in respect of which district figures are not available.

K.G.I.D.

Karnataka Government Insurance Department (being the successor of the former State Official Insurance Branch started in 1891) is engaged in promoting insurance business in the district both in life assurance and the vehicles of the State Government employees and the vehicles of State undertakings. Under the reorganisation programme of the department, the district insurance office was opened at Mysore in July 1976 to streamline the administration and to serve the policy holders effectively. The number of life policies issued in the district during 1985-86 and 1986-87 was 1,685 and 2,885 with a monthly premium income of Rs. 86,326 and Rs. 1.46 lakhs respectively. The sum assured on policies issued during 1985-86 and in the next year accounted to Rs. 220.26 lakhs and Rs. 334.48 lakhs respectively. It is reported that the district office has a regular monthly premium income over Rs. 20 lakhs including loan recovery.

Ashakiran

Ashakiran is a social-security oriented welfare measure initiated by the State Government, in September 1982 extending a scheme for group personal accident insurance for agricultural and other labourers of unorganised sector. The scheme at present covers as many as 31 notified categories of workers (between the age group 16—65) such as agricultural labourers, fishermen, beedi and cigar workers, toddy tappers, barbers, stone cutters, rickshaw pullers, tribal labourers, etc. The accidents covered under the scheme are rail or road, snake bite, attack by wild animals, drowning, fire, electric shock, fall from tree, etc., including death or injury caused by nuclear radiation. The relief given under the scheme ranges between Rs. 5,000 to Rs. 2,500, depending upon the seriousness of the injury and death (since 1-1-1985). The scheme extends the benefit for those whose annual income does not exceed Rs. 6,000 in the case of both the deceased and the claimant. The total no of claims settled from the district from 1982 to 1987 March was 81 and the amount of compensation paid was Rs. 1.76 lakhs. In 1987, the Central Government has also started a similar scheme of social security for the benefit of unorganised labourers extending the benefits upto Rs. 3,000 in case of death for the income group below Rs. 5,000 per year.

State Lottery

There is a good response in the district for the Karnataka State Lottery Scheme introduced in 1970 as one of the measures to mop up small savings.

Amount won as prize, if it is more than Rs. 5,000 is subjected to income tax and compulsory investment in N.S.C., ranging from 10 to 25%. The lottery tickets of other States are also being sold in the district. The approximate value of tickets of the State lottery sold in the district during 1985-86, 84-85 and 83-84 was Rs. 70 lakhs, Rs. 68 lakhs and Rs. 61 lakhs respectively and the number of sub-agents in the district in the above years was 375, 340 and 320 respectively.

Village Savings Banks (Feeder Banks)

In order to mobilise small deposits from the villagers with more than 300 population, without the facility of Co-operative Bank or Society, Village Savings Banks were opened on experimental basis in five districts of the princely State *viz.* Hassan, Mysore, Chitradurga, Kadur and Tumkur in December 1915 under a scheme mooted by Mr. Chakravathy, the Financial Secretary. Under the scheme a minimum deposit of one *anna* was collected and the maximum was upto Rs. 5 p.m. from individual. There was a provision to withdraw a small payment upto Re one per month with a minimum withdrawal of four *annas*. The agents who were managing the scheme were paid commission by the Government. There was a good and effective system of internal check in operating the scheme exercised by the taluka treasuries. The scheme was closed by 1922-23.

National Savings Organisation

Much before the establishment of the National Savings Organisation in Mysore district in 1957, and the National Savings Organisation of the Government of India in 1948, the promotion of small savings in the district began as early as in 1870 by establishing district savings bank, attached to the Government Treasury. Later in April 1882, post office savings banks were opened in all existing post offices to mop up rural savings extensively. Later, in 1886 district banks were closed by amalgamating them with Post Office Savings Banks. During 1941 to 1947, Defence Savings Bank was introduced to direct these funds for defence purposes in the district.

In the beginning, the minimum deposit acceptable was quarter rupee (25 paise) with a maximum of Rs. 5,000 per account, and the rate of interest offered was $3\frac{3}{4}$ per year and later in 1889, the maximum limits was reduced to Rs. 2,000 per account, with a yearly limits of Rs. 200 and rate of interest too reduced to $3\frac{1}{4}$ per cent. Today, there are number of schemes in operation to promote savings operated through 581 post offices and other agencies *viz.* Savings Bank Accounts, Post Office Recurring Deposit, Cumulative Deposit, Time Deposits, National Savings Certificates, Social Security Certificates, Indira Vikas Patras, National Savings Scheme 1987 and Monthly Income Scheme (introduced from August 1987). As at the end of 1986 the total S.B. accounts in the district was 81,633 with aggregate deposits held amounting to Rs. 736.90 lakhs. The number of Cumulative Time Deposit accounts and Recurring Deposit accounts were 5,691 and 1.01 lakhs with aggregate deposits of Rs. 222.49 and 323.40 lakhs respectively. In respect of Indira Vikas Patra scheme introduced since November 1986, the total amount invested during 1986 accounted to Rs. 36.60 lakhs. The organisation also conducts fortnightly Savings Drives in the district in the potential areas of urban and rural pockets to achieve the target. So far in the district 50 villages have been declared as 'Bachat gramas' and of them Yelandur taluk tops with 27 such villages followed by Hunsur and Periyapattana, five each.

The table given below indicates the targets and achievements of small savings in the district for some recent years.

(Amount in lakhs)

Year	Target		Achievements	
	Gross	Net	Gross	Net
1981-82	550	220	590.4	280.2
1982-83	600	330	757.6	413.9
1983-84	850	320	970.8	508.6
1984-85	N.A.	700	1570.6	984.4
1985-86	1800	1400	2032.3	1213.1
1986-87	2400	1750	2485.2	1182.3

Coinage and Currency

In the course of history, together with the rise and fall of the dynasties that have ruled over the region, many changes have been noticed in the coinage and currency system of the district. It is evident that there used to be variations in contents, typology, size and weights in the numismatics that were in vogue in the district. Since the Ganga dynasty had elephant as royal emblem and some un-inscribed coins with the elephant on their obverse have been ascribed to the Gangas of Talakadu by M. H. Krishna who has described five types of coins of the Gangas in gold and copper. Gold coins may be *gadyanas*. He opines that in typology the coins of the Gangas of Kalinga who ruled Andhra, but discovered in great quantities in Karnataka might be the issues of Gangas of Talakadu. During the Vijayanagar rule coins of gold and copper were in wide circulation comprising of important denominations like *varaha* or *gadyana* (about 52 grains also called *pagoda* or *honnu*), *pratapa* (kati), *pana* (one-tenth of *gadyana*) *haga*, *tara*, *jital* and *kasu*. The rulers of Mysore continued the heritage of Vijayanagara coinage in all respect. The gold *panam* and half *varaha* of Kanthiravanarasaraja (1638-1658) and Krishnaraja III (1799-1868) were very close to Vijayanagar issues but there was a innovation in copper and silver coins which contained elephant or lion in the obverse with legend in either Kannada or Nagari, English or Persian. They were called *Kanthirayi pagoda* and *hana*. The gold *varaha* of the period weighed 52 grains, half *varaha*, 26 grains and *panam* (one-tenth of *varaha*) 5.2 grains. The silver coins included one rupee and half and quarter rupee. Kanthirava Narasaraja was the first to found a mint at Shrirangapattana who minted independent coinage. Krishnaraja Wodeyar III found a mint in Mysore where it was working till 1833 and then transferred to Bangalore and closed by 1843.

During the infancy of Krishnaraja Wodeyar III Dewan Poornaiah had struck and reissued Ikkeri *varaha* in the name of Ikkeri *hosa varaha* weighing 52 grains. He had also recoined *kanthiraya hana* known as *gidda kanthiraya hana*. The silver coins of Krishnaraja had a word 'Meilee'. Copper coins of Krishnaraj Wodeyar III exhibit a great variety. A coin of 40 *kasu* was of the highest denomination but rarely met, the other copper denominations were 25 *kasus*, 12½ *kasu* (rare), 10 *kasu*, 6¼ *kasu* (rare), 5 *kasu*, two *kasu* (minted after the transfer of mint from Mysore to Bangalore). In 1870 the Indian Coinage Act 1870 was extended to Mysore State, making the coins of Government of India legal tender in the State. According to the instrument of transfer of 1881, Article 15, coinage of British Government became the legal tender in Mysore State. Hyder, during his rule of the State had issued gold and copper coins. His gold coins were based upon the earlier coins of Keladi Sadashivanayaka. During his reign of 17 years Tipu had issued coins in 16 denominations in gold, silver and copper by establishing 13 mints in his dominion. He had given fascinating names to mints and each coin was given a name referred to Muslim saints or planets. During 1782 he had opened a mint at Nazarbad at Mysore where copper coins of *paisa*, half *paisa* and quarter *paisa* were minted. Scholars opine that due to the French impact many of the silver and gold coins of Tipu had peculiar milling effects. His gold coin of the highest value was four *pagoda* coin called *ahamadi* whose weight ranged between 210 to 215 grains and was equal to four *pogados* of 52 grains each. *Panam* was the smallest gold coin of Tipu weighing 5-6 grains without any name. Tipu had issued silver coins of seven denominations with the highest value coin being double rupee called *haidari*, the second silver coin was a rupee called *imani* struck at Srirangapattana. Half rupee was called *abidi* while quarter rupee *baduri*. The smallest silver coin was 1/32 rupee. His copper coins ranged from double *paisa* to one eighth *paisa*.

Under the Emergency Regulations XI of 1918 during the World War I, the currency notes of Government of India issued with Madras Circle were made legal tender in the Mysore State. The coins issued by the Government of India were copper, nickel and silver. The copper coins in circulation were in the denomination of *kasu* (pie) *murukasu* (quarter anna) and *ardha anne* (half anna). Nickel coins were also in the denomination of *chavali* (two annas) and *pavali* (four annas), *ardha rupayi* (half rupee) and *rupayi* (one rupee). After independence, the new emblem of the Government of India appeared on the coins and notes in place of King George VI. New coins of all denominations were introduced after 1947. The rupee was divided into 16 *annas* and each *anna* divided into 12 *pies*. In 1957 decimal coinage system was introduced.

CO-OPERATIVE MOVEMENT

The Co-operative movement marked its beginning in the princely State of Mysore in general and Mysore district in particular by enacting Co-operative Societies Regulation III in June 1905 (on the principles of limited liability) which was more progressive and comprehensive than the Central-Act of 1904. In 1907, an officer of the Mysore Government was specially deputed to London and Europe to study the movement there. The Registrar of Co-operative Societies was appointed permanently in September 1912 (first appointed temporarily in 1905).

The Mysore Co-operative Credit Society, Mysore, founded in 1906 (now Mysore Co-operative Bank) has the privilege of being the first society for the district and was one of the five co-operatives incorporated in the erstwhile Mysore State during 1905-1906. In course of time, many more agricultural credit, non-agricultural and non-credit societies both in urban and rural areas of the district were organised, initiated under a scheme introduced in 1910 by availing of the services of the retired officials, designated as 'honorary supervisors', generally confined to a taluk. They were paid pocket expenses upto one rupee for each day's co-operative work for supervision and guidance of co-operatives in the rural area. The number of societies in the district increased to 20 by 1910 as against 12 during 1908. By 1913-14, the number of societies in the district increased to 68 with a membership of 5,879 and share capital of Rs. 2.26 lakhs, as against 44 co-operatives during 1911-12. By 1920-21 the number of all co-operatives rose to 176 with a membership of 13,828 and had a share capital of Rs. 6.27 lakhs; they had held the working capital and reserve fund of Rs. 10.15 lakhs and Rs. 1.06 lakhs respectively. In the meanwhile, the Regulation of 1905 was revised and re-enacted in 1918 incorporating the provisions of establishing central or apex bodies at the district and taluk level and establishment of non-agricultural and non-credit societies, so as to give greater stability and wider orbit to the movement. For the purpose of efficient administration of the department, the office of the Assistant Registrar of Co-operatives for Mysore Sub-division was opened at Mysore in 1918-1919. Agricultural credit societies of the district were mainly categorised into two broad groups i.e., small sized and large sized. Among the small sized primary agricultural credit societies, Anyonya Sahakara Sangha, Kuderu (Chamarajnagar tq.) and Krishnarajendra Wodiyar Co-op. Society at T. Narasipur, both registered in 1908 are said to be the earliest ones, followed by the Yelawala Service Co-op. Society of Mysore taluk and Lakshmi Varadarajaswamy Society of H.D. Kote, registered in 1910. In the next year (1911), Durga Parameshwari Co-operative Society at Hommaragalli and the Sargur Co-op. Society at Sargur (both in H.D. Kote tq.) and the Sosale Service Co-op. Society were started. By 1912, similar societies were registered at Heggur, Talakad (T.N. Pura tq.), Telanur (Kollegal tq.), Gattawadipura (Nanjanagud tq.).

Large-sized Co-operatives emerged in the district in large measure due to the reconstitution of many primaries in 1949. The earliest to be founded are Mallikarjunaswamy L.S.C.S. at Bettadapura of Periapattana taluk in 1915 and at the Alur L.S.C.S. of Chamarajnagar taluk in 1917. Regarding the urban credit societies, Lakshmi Sahayanidhi Society founded at Mysore in 1907 was the second, followed after the present Mysore Co-operative Bank (1906), and in 1910, a non-agricultural Paraspara Co-operative Society was founded at Gundlupet. Among the housing societies, the City Co-operative Housing Society (1916) and the Mysore Housing Society (1921), followed by similar society at K.R. Nagar five years thereafter are the earliest. A society for the welfare of Women known as the Vanivilas Ladies Co-operative Society, was the first in this category to be founded at Mysore in 1918 followed by another such society i.e., Arya Bhagini at Mysore in 1927. Regarding the Weaving Societies, Ramalinga Chowdeshwari Cotton Handloom Weavers Society of 1917 at Mysore appears to be the first. A consumer society was first started in Mysore City in 1918 at Chamarajapura. In respect of employees' credit Societies, the H.H. Bodyguards' Employees' Society, Mysore, 1913 was the earliest followed by the Chamarajendra Technical Institute Employees' Society at Mysore in 1920.

Other Co-operatives were also formulated by the employees of the Palace such as Aramane Avasarada Hobli Society in 1914, the Palace Central Co-operative Society (1922) and the Arasumandali Co-op. Society (1935). For the benefit of tanning and leather workers, Co-operatives were first founded at Hunsur and Nanjangud during 1917-18 and the Cart Makers Society at Hunsur during 1927-28. For the benefit of Adikarnatakas, several co-operatives came into being in the district. The earliest societies of this category were the Srirangarajpura A.K. Service Society (T. Narasipur tq.) and Bannur A.K.C.S., both in 1918 followed by the A.K.C.S. at Sosale in 1919 and the Panchama Co-op. Society, Hunsur in 1923. By 1929-30 the number of the A.K.C.S. was about 12 scattered all over the district. In the meanwhile, the Fisheries Society at Harave (1921, Kollegal tq.), Taluk-level artisan multipurpose co-operatives in some of the taluks (1925), Forest Labourers Society at Nallur (1927) of Chamarajnagar taluk were also set up.

The establishment of the Mysore Provincial Co-operative Union in 1924 to impart co-operative training for officials and non-officials engaged in the movement so as to guide and monitor the movement was very much helpful to develop co-operative leadership in the district.

By 1925-26, the number of societies in the district increased to 248, with a membership of 17,454, while the number of societies reported from Mysore city proper was 37 with 9,074 membership in the above year. The economic depression of 1930 had a great impact on the movement specially in respect of agricultural credit societies. To study the situation, Chandra-

shekar Ayyar Committee was appointed by the Government. Commencement of World War II in 1939 and the war period proved to be a boon to the PACs. As a result of rising prices, overdue balance was considerably cleared. Since 1949, under the scheme introduced by the Central Government many multi-purpose co-operatives came into being by the reorganisation of several agricultural credit societies in the district, enabling them to undertake processing, marketing and distribution of controlled and non-controlled goods etc. By 1932-33, the district had 335 societies and of them 232 were agricultural credit societies mainly comprising one central society, 220 agricultural credit societies, nine marketing societies (of them seven agricultural), and two supply societies. The number of non-agricultural societies was 103 comprising of 53 non-agricultural credit, 25 weavers', 19 consumers' and three each for artisans and women. Of the 335 total societies, as many as 53 were meant for the benefit of the members of the SC and ST communities. During 1932-33, the membership of all these co-operatives together was 30,947 with a share capital of Rs. 10.37 lakhs and they were able to mobilise deposits of Rs. 12.83 lakhs and had held the working capital of Rs. 30.88 lakhs. The total borrowings from the Government and C.F.A. accounted to Rs. 1.56 lakhs and Rs. 1.73 lakhs respectively. The total profit earned by some of these co-operative together accounted to Rs. 1.16 lakhs. It is reported that housing societies in the district during 1920-30s facilitated much for the building activities at Mysore, Nanjangud, T. Narsipur, Yedatore, Lalithadripur, etc. Among these, the Lalithadripuram Society at Mysore under the patronage of the Maharaja of Mysore had undertaken the work of rural improvement, specially in the field of education of children and adults by donating liberal funds out of its profit (1927-28) in addition to its regular house building activities.

Co-operatives in the field of long term finance came into being in the district by 1934 when the first P.L.D. Bank was founded at K.R. Nagar (1934). Later the P. L. D. banks at Chamarajanagar, Nanjangud (both in 1936), Mysore, T. Narasipur (both in 1937) and Kollegal (1939) came into being.

The T.A.P.C.M.S. were first found in the district during 1947-1949 at Nanjangud (1947), Periyapatna, H. D. Kote and Hunsur (1949) to facilitate marketing of agricultural produces and linking of credit with marketing. A specialised marketing society known as Central Paddy Marketing Society was opened at Mysore in 1934.

By 1945-46, the number of co-operatives in the district increased to 357 with 44,306 members and had a working capital of Rs. 66.25 lakhs and they had transacted a business worth Rs. 325.99 lakhs. The Bamboo Workers Co-op. Society at Mysore in 1950 and the Tobacco Marketing at Periyapatna (1950) were also started.

During the post-Independence period, specially after the launching of economic development plans, many new breeds of societies like farming, poultry, dairy development, irrigation etc., came to be founded. Capital oriented industries like Sugar factories-the Mahadeswara, (Kollegal tq) in 1963, and the Sri Rama (1973) in K.R. Nagar tq-were also started by co-operatives in addition to co-operatives like transport, publishing, labour, house building, processing (tobacco, paddy) etc. LAMPS for the benefits of tribal population were organised during 1979-82.

Increased financial participation by the State and Central Government in the form of share capital, managerial grant, subsidy, etc., have stimulated the growth of co-operative movement in the district, specially during the post-planning period. To have an effective administration of the department, the office of the Deputy Registrar for the district was opened in 1956. Later in 1973, the offices of the Assistant Registrars at Hunsur and Nanjangud Sub divisions were opened.

By the end of June 1957, the number of co-operatives in the district, increased to 839 with nearly one lakh co-operators. During the next decade *i.e.*, by the end of June 1966, the total number of societies in the district went up to 1,162 (including 32 societies under liquidation) with a total membership of 2.42 lakhs. The table given below indicates the periodical progress of the movement in the district as it stood in 1975, 1980 and 1985.

Particulars	(Amount in lakhs)		
	As on		
	30-6-1975	30-6-1980	30-6-1985
1. No. of co-operatives	1,452	1,159	1,474
2. Membership	4,79,485	5,60,100	7,56,858
3. Paid-up share capital	410.77	1,281.79	1,465.54
4. Reserve and other funds	181.75	496.12	1,189.85
5. Deposits	452.01	638.27	1,597.31
6. Borrowings :			
(a) Government	67.25	135.62	346.00
(b) C.F.A.	1,519.51	1,150.76	1,780.24
(c) Others	72.32	921.91	2,009.52
7. Working capital	2,825.17	6,032.68	9,590.55
8. Loans Issued during the year	1,076.77	1,562.58	3,211.24
9. Loans recovered	857.69	1,321.34	2,288.59
10. Loans outstanding	1,621.49	3,234.25	5,514.39
11. Loans overdue	485.57	853.26	1,761.44
12. Profit	99.84	90.40	115.48
13. Loss	16.20	634.42	1,322.96
14. Purchases	504.74	1,022.18	2,186.97
15. Sales	834.31	1,940.20	13,309.20

By the end of April 1987, the total number of societies registered in the district was reported as 1,498 which included 258 defunct societies. The number of societies under liquidation was reported as 153. The taluk-wise distribution of 1,498 societies was as follows: Mysore (437), T. Narsipur (163), Chamarajanagar (150), Hunsur (117), H.D. Kote (106), Periyapatna (103), K.R. Nagar (102), Gundlupet (101), Nanjangud (95), Kollegal (91) and Yelandur (33).

Selected Key Indicators

The percentage of selected key indicators of the movement for 1977-78 and 1984-85 were as follows: The figures in the bracket indicate the position as in 1984-85. Government share capital to the total share capital 61.7 (26.42), reserve and other funds to total share capital 56.00 (81.19), borrowings from Government 1.7 (8.37), C.F.A. 64.5 (43.05), overdues outstanding 43.6 (31.96), share capital to working capital 15.8 (15.98), deposits to working capital 12.1 (16.66), borrowings to working capital 47.6 (43.12).

Average of selected key indicators.—No of societies per 100 sq km area 9.70 (12); membership per society 483 (511); share capital per society Rs. 1.10 lakhs (99,000); deposits per society Rs. 83,000 (1.08 lakhs); borrowings from Government per society Rs.12,000 (Rs.23,000); Central financing agency Rs.99,000 (Rs.1.21 lakhs); working capital per society Rs. 521 (651); loans issued per society Rs. 135 (218); amount of profit per society Rs.8 (Rs.19); amount of loss per society Rs.55 (Rs.266); value of purchases per society Rs. 88 (149); value of sales Rs. 167 (903); deposit per member 17 paise (21 paise); loan per member 28 paise (42 paise).

Coverage of Agricultural finance.

During 1985-86, out of 4.81 lakhs agricultural families in the district 3.79 lakhs had been brought under the cooperative fold. Out of 81,000 SC/ST agricultural families of the district 78,000 had been brought under the orbit of co-operative movement. Out of 285 primary agricultural credit societies, in the dt., as many as 162 PACs. get their credit from Dist. Central Co-op. Bank, while the remaining 123 are financed by nationalised banks and the Grameena Bank. The total flow of agricultural credit in the district through various co-operatives was Rs. 973.12 lakhs during 1983-84 and Rs. 707.84 lakhs in the next year. The credit deployed for 85-86 accounted to Rs.657.56 lakhs, major portion being Rs.442.20 lakhs for short term, Rs.211.32 lakhs medium term and the rest (Rs.4.04 lakhs) as long term.

Government assistance.—The total financial assistance sanctioned by the Government to various co-operatives in the dt. under different schemes and programmes under State Plan Scheme is reported to Rs. 17.22 lakhs for 1984-85, Rs. 15.89 lakhs for 1985-86 and Rs. 5.94 lakhs for 1986-87. Since 1982-83 Government has implemented a scheme for providing interest

subsidy on repayment of co-operative dues within the due date fixed. Under this scheme, farmer loanees are required to pay interest at 7 per cent. In respect of failed wells also the subsidy is allowed. The interest concession allowed in the dist. for 1982-83, 1983-84 and 1984-85 was Rs. 67.35, Rs. 86.80 and Rs. 9.32 lakhs respectively. During 1985-86, as many as 646 cases of misappropriation were detected, covering both civil and criminal nature, involving an amount of Rs. 64.19 lakhs by the end of March 1987 and major portion of this was from TAPCMS (Rs. 20.83 lakhs), followed by agricultural credit societies (Rs. 35.86 lakhs).

The details of working of some important co-operative institutions and categories of co-operatives are illustrated in the preceding paragraphs.

D.C.C. Bank, Mysore.—The establishment of Mysore District Co-operative Central Bank at Mysore in 1955 as a central financing agency with an area of operation covering the entire district, to cater the financial requirements of agricultural credit and other affiliated co-operatives in the district gave a new impetus for the expansion of co-operative movement in the district. The membership of the organisation in the beginning was 140 (1955), comprising of 132 societies and eight individuals with a share capital of Rs. 1.36 lakhs. For the first time in 1957-58, Government share capital of Rs. 1.50 lakhs was given to the bank to strengthen its financial position. By 1965-66 membership rose to 814 with a share capital of Rs. 23.65 lakhs. By the end of June 1987 it has a total membership of 849 (including Government), with a share capital of Rs. 187.31 lakhs including the Government share of Rs. 57.72 lakhs and the rest (129.59 lakhs) was of societies. The rate of interest charged on short term agricultural loans to weaker sections is 11 per cent to the ultimate borrower (9 per cent to the societies). During 1986-87 the total demand outstanding of short term and medium term loan to the bank was of Rs. 656.88 lakhs of which the amount collected was Rs. 245.00 lakhs (37 per cent) retaining the balance of Rs. 411.88 lakhs. The bank has been entrusted with poverty alleviative schemes like I.R.D.P. consumption loan and Government sponsored schemes including the new 20 point programme under priority sector. Since 1983 to end of June 1987, the total investments of bank under IRDP medium term loans in 27 clusters was accounted to Rs. 66.07 lakhs of which Rs. 28.34 lakhs was outstanding by the end of June 1987. Under the priority sector advances including IRDP and 20 point programmes, the total loans outstanding by the end of June 1987 was of Rs. 563.57 lakhs. The major share being Rs. 511.43 lakhs for 'bigger harvests' and Rs. 41.85 lakhs 'attack on rural poverty scheme' and Rs. 5.47 lakhs towards consumption credit to the rural poor, and the rest being for other schemes like justice to SC/ST, gobar gas and bio-gas plants. Since 1981, in view of heavy default and overdues at the level of societies, the consumption loan has been stopped. The bank is allotted to extend financial accommodation to 26 sericulturist-cum-

farmers service societies in the district. The total loans advanced by the bank for these societies during 1986-87 was of Rs. 67.00 lakhs.

Through its several deposit accretion schemes, the deposits mobilised during the last three years accounted to Rs. 764.77 lakhs in 1984-85, Rs. 919.89 lakhs in 1985-86, and Rs. 1,059.50 lakhs for 1986-87. While the total deployment of credit in the above years comprising of short, medium and cash credit accounted to Rs. 999.12 lakhs, Rs. 1,078.53 lakhs and Rs. 1,099.13 lakhs respectively. The total borrowing of the bank from the Apex Bank, Bangalore, amounted to Rs. 301.24 lakhs for 1985-86, and Rs. 287.23 lakhs and Rs. 355.71 lakhs in the previous two years respectively.

The first branch office of the bank was opened at T. Narasipura in 1960 followed by K.R. Nagar and Gundlupet branches in 1962. At present it has a net-work of 16 branches scattered over the district and has a staff strength of 172. The present Head Office building of the bank was constructed in 1967 at a cost of Rs. 6 lakhs.

The profit earned by the bank during the last three years *i.e.*, 1984-85, 85-86, 86-87 accounted to Rs. 12.02 lakhs, Rs. 4.49 lakhs and Rs. 1.01 lakhs respectively. The bank has donated Rs. 35,000 in 1983-84 and 84-85 towards the construction of Co-operative Training College, Bangalore (Rs. 10,000) and for construction of Co-operative Union Building (Rs. 25,000) out of its general funds. The total assets and liabilities held by the bank by the end of June 1987 accounted to Rs. 1802.06 lakhs and Rs. 1801.05 lakhs respectively.

The table given below indicates the periodical progress of the bank for the years 1955-56, 1975-76 and 1986-87.

	(Amount in lakhs)		
	Year		
	1955-56	1975-76	1986-87
1. Membership	132	1,017	849
2. Share capital			
i. Societies	1.37	63.58	129.59
ii. Government	..	40.72	57.72
3. Reserve Fund	0.06	7.54	33.77
4. Other Funds	0.01	15.06	138.20
5. Deposit	0.52	240.96	1059.50
6. Total Loans issued	3.52	1,246.08	1,099.13
7. Loans recovered	4.59	1,194.42	2,072.77
8. Working capital	4.66	673.97	1,792.44
9. Net profit	0.03	3.41	1.01
10. Branches	..	14	16

Primary Agricultural Credit Societies

The Primary Agricultural Credit Societies functioning at the grass-root level play an important role by serving as a media of co-operative credit and other allied activities. The success of the movement mainly depends upon effective functioning of these bodies. In 1976, these co-operatives were reorganised in order to make them economically more viable and serve effectively, and as a result of this, the number of these societies has dwindled. By the end of June 1979, the total number of PACS in the district including two LAMPS was 268, with 2.72 lakh members and had a share capital of Rs. 219.78 lakhs including Government share of Rs. 54.95 lakhs. They had issued a loan of Rs. 386.69 lakhs and were able to mobilise deposits of Rs. 37.19 lakhs. The sales of consumer goods and fertilizers effected by these accounted to Rs. 92.44 lakhs and 84.72 lakhs respectively. Out of the 268 societies, the profit earned by 108 societies was of Rs. 13.78 lakhs.

By the end of June 1986, the number of these societies was 311, the bulk of these group comprises VSSS, SCFSCS, SSCs and six LAMP Societies. The talukwise distribution of these Societies is as follows: Chamarajanagar 39, Gundlupet 36, Nanjangud 32, Mysore and Periyapatna 31 each, Hunsur 30, H. D. Kote 29, Kollegal 28, T. N. Pura 27, K. R. Nagar 23 and Yelandur only 5. The total membership of these societies was 3.45 lakhs, with a share capital of Rs. 347.98 lakhs including the Government share of Rs. 89.75 lakhs. The total borrowings of these societies was of Rs. 1,948.12 lakhs and had issued loans of Rs. 656.96 lakhs. They were able to mobilise seposit to the order of Rs. 60.91 lakhs. They had effected a sale of consumer goods worth Rs. 384.08 lakhs; and fertilizers worth Rs. 254.52 lakhs. The profit earned by 75 societies was of Rs. 30.62 lakhs while the loss sustained by 218 was of Rs. 130.64 lakhs.

Lamps

These new breed of societies known as Large Sized Agricultural Multipurpose Societies popularly called 'LAMPS' were reconstituted in the place of the former Labour societies, exclusively meant for the welfare of tribal population of the district. All types of financial assistance like contribution of share capital on behalf of the members, subsidy, managerial grants, loans etc. are extended by the Government under Tribal Sub-Plan scheme. Out of 20 such societies in the State, the district has six societies. The first LAMP to be organised in the district was at Hunsur in 1971. During 1982, similar societies were founded at Gundlupet, Chamarajnagar, Yelandur and H. D. Kote, the sixth one was founded at Kollegal in 1983.

Among other things, the main functions of these societies include engaging its members in the collection of forest products like honey, gum, horns, etc. and to arrange for their marketing in addition to supplying consumer and other goods to the tribal population and to undertake such

socio-economic activities for the upliftment of tribal population. The total membership of all these six societies in the district during 1985-86 was 7,873, the highest being with Hunsur (2,250) followed by H.D. Kote (1,949) and Kollegal (1,778). The total financial assistance extended to these tribal societies during 1985-86 was of Rs. 13.31 lakhs and they had a total turn-over of Rs. 57.17 lakhs. The amount of loan sanctioned by these societies to its members was Rs. 2.44 lakhs by two societies, H.D. Kote (Rs. 1.52 lakhs) and Hunsur (Rs. 92,000). By way of illustration the LAMPS working at the B.R. Hills is illustrated.

LAMPS, B.R. Hills.—The former forest labour society registered in 1967 was reconstituted and rejuvenated in 1982 as Large Sized Agricultural Multipurpose Co-operative Society, mainly committed to various ameliorative measures for the Soligas in and around the camps of B.R. Hills. At present, the society arranges for collection of forest products like honey, horns, wax and gum etc. through its members, by making advances to the agents of the Soliga groups and arranges for its marketing, in addition to providing other facilities like supply of controlled and non-controlled goods. The membership of the society is open to the Soligas only. The Government has extended its financial participation in the form of share capital, managerial subsidy, working and building capital, loan for opening retail outlets etc., to this society under the Tribal Sub-Plan scheme since its inception. The present (1987) membership of the society is 216 as against 15 in 1981 with share capital of Rs. 1.82 lakhs, major share being of the Government (Rs. 1.80 lakhs). The total financial assistance extended by the Government since the inception of the society upto 1986 is Rs. 6.52 lakhs for different purposes to make it economically more viable. The sales and procurement value of forest products exchanged during the last three years *i.e.*, 1986-87, 85-86 and 84-85 accounted to Rs. 1.15 lakhs (Rs. 56,000), Rs. 1.66 lakhs (Rs. 85,000) and Rs. 58,178 (Rs. 52,874) respectively (the figures in the bracket indicate the value of procurement).

The honey collected by the society is graded and branded as 'Biligiri'. The sales value of the honey procured by the society was of Rs. 32,850 (1,514 kg) for 1986-87, Rs. 22,300 (1,115 kg) for 1985-86 and Rs. 25,000 (1,250 kg) for 1984-85. During 1986-87 the total advances made by the Society to agents on personal guarantee was of Rs. 67,600. The profit earned by the society for 1985-86 and 84-85 was of Rs. 47,398 and Rs. 37,496 respectively. During 1987 June it has opened four retail outlets at the B.R. Hills, Yaraganagadde, Hosapodu and Puranpodu to help its members. The sales effected at the B.R. Hills branch for 86-87 accounted to Rs. 3.00 lakhs. The Society is administered by 15 directors including seven officials of various departments, nominated for the purpose.

S.C. & F.S.C.S.

Sericulture-cum-Farmer's Service Co-operatives were organised in the district to provide necessary infrastructure for the development of sericul-

ture which occupies a place next to agriculture in the district. Under the World Bank Scheme, good incentives have been extended for the development of these co-operatives in the district. Some of these societies have been ceded to commercial banks and D.C.C. Bank for their financial requirements. As in 1986, district has as many as 57 such co-operatives and their concentration is found in Chamarajanagar taluk with 26, followed by Kollegal tq with 12. In addition to these, there are six silk reeling co-operatives found at Chamarajnagar and one each at Kollegal, T.N. Pura, Nanjangud and Yelandur.

S.C.F.S.C.S., Honganur.—Sericulturists-cum-Farmers' Service Co-operative Society, Honganur (Chamarajanagar taluk) was reconstituted in 1976 by the process of amalgamation of five earlier service co-operatives working at Honganur, Masanapura, Suttur, H. Mukalli and the Varadaraja Multi-purpose Service Co-op. Society (Honganur). The area of operation covers 15 constituent villages situated nearby. The society is ceded to the Indian Overseas Bank to ensure economic viability and administrative efficiency. The main functional activities of the Society at present include catering to the credit requirements of short and medium-term loans for agriculture, sericulture and other allied activities in addition to supplying essential commodities, agricultural inputs etc.

The membership of the society (407) mainly comprises of small and marginal farmers, agricultural labourers and others with a share capital of Rs. 19,000 in the beginning (1976). Later, the membership increased to 2,294, and the share capital was Rs. 3.07 lakhs during 1980-81. By the end of June 1987 it had a membership of 4,939 comprising mainly 3,026 SCs., 345 STs., and the rest (1,568) other members with a share capital of Rs. 4.94 lakhs including Government share of Rs. 79,000. The financial assistance extended by the I.O.B. to the Society during 1986-87 and 1985-86 accounted to Rs. 4.62 lakhs and Rs. 3.21 lakhs as against Rs. 13.16 lakhs and Rs. 14.60 lakhs during 1981-82 and in the previous year respectively.

The total credit deployed by the society both as short and medium term together during the last three years i.e., 1986-87, 1985-86 and in 1984-85 accounted to Rs. 2.46, 1.31 and 8.43 lakhs respectively. The total purchases and sales effected by the Society during 1986-87 accounted to Rs. 5.45 and 5.55 lakhs respectively as against Rs. 2.14 and Rs. 2.00 lakhs during 1980-81. The total financial assistance extended by the Government to the Society up to 1986 accounted to Rs. 5.36 lakhs which includes Rs. 4.09 lakhs loan from N.C.D.C. for the establishment of grainage-cum-chawki rearing centre (work started in 1984) to enable the society to take up distribution of silk worm seeds to farmers and also to start chawki rearing activities, Rs. one lakh being additional share capital and the rest being the subsidy for SC/ST beneficiaries. The accumulated

loss sustained by the society during 1986-87 was of Rs. 8.54 lakhs as againsts Rs. 26,000 during 1980-81.

A. & R. D. Banks

The former Land Mortgage Banks or Land Development Banks were renamed as Agriculture and Rural Development Banks in 1985. These are the main agencies catering to the requirements of long and medium term finance, channelised by the Central Financing Agency, Bangalore. Now, according to the directions of the NABARD, the loan portfolios of these banks have been diversified, keeping in view of integrated rural development, mechanisation in farming and to provide necessary infrastructure for the development of Command Area, horticulture, sericulture and other allied rural development activities. Loans are granted to small and marginal farmers, and SCs and STs. on priority basis. The first bank, to be founded was at K. R. Nagar in 1934 as Land Mortgage Bank. At present, the district has 11 such banks one for each revenue taluk. To ensure proper co-ordination, effective administration and supervision of these banks, the branch of the State ARD Bank, Bangalore, was opened at Mysore in 1968-69.

By the end of June 1981, the total membership of these banks (11) in the district was 69,634 with a share capital of Rs. 69.92 lakhs including the government share capital and they had borrowed Rs. 729.84 lakhs for their operations. The total amount of loans issued were of Rs. 72.45 lakhs. The total loss suffered by all the 11 banks amounted to Rs. 47.30 lakhs. By 1985-86, the membership of these banks rose to 93,186, with a share capital of Rs. 89.88 lakhs. The total borrowings amounted to Rs. 978.71 lakhs. The loans issued amounted to Rs. 146.19 lakhs. The accumulated loss of these (11 banks together) was of Rs. 104.73 lakhs. The total demand and collections of ARD Banks in the district towards principal amount for 1985-86 was Rs. 165.91 and Rs. 62.33 lakhs, and in respect of interest the figures were of Rs. 24.75 lakhs and Rs. 91.79 lakhs respectively. For the purpose of illustration a brief account of ARD Bank of Mysore is given below :

A. & R. D. Bank, Mysore.—To cater to the long and medium term credit requirements of the Agriculturists, Primary Agriculture and Rural Development Bank came into being at Mysore in 1937 (then known as the Land Mortgage Bank), with an area of operation covering Mysore and H. D. Kote tqs. (In 1962 a separate bank for H. D. Kote tq was constituted). Initiated with 48 members in the beginning (1937-38) and a share capital of Rs. 590 the membership rose to 954 and share capital to Rs. 23,000 by 1959-60, with total advances of Rs. 42,000. By 1975-76, the membership of the bank rose to 3,889 and share capital to Rs. 3.96 lakhs including the Government share of Rs. 50,000.

By the end of June 1986, the membership further increased to 6,373 and share capital to Rs. 9.24 lakhs including the share held by the Government (Rs. 50,000). The total loans advanced by the bank, Rs. 36.95 lakhs during 1984-85 was reduced to Rs. 33.50 lakhs in the next year. The total advances amounted for 1986-87 were of Rs. 21.02 lakhs, mainly comprising of Rs. 7.50 lakhs for poultry, Rs. 5.57 lakhs for wells, while the credit given for schemes like dairy development, deepening of wells and coconut cultivation accounted to Rs. 3.34 lakhs, Rs. 1.99 lakhs and Rs. 1.75 lakhs respectively. The loans also included Rs. 40,000 for sericulture, Rs. 24,000 for land improvement etc. During 1985-86, the amount of loan extended to SC/ST beneficiaries (116) was of Rs. 5.09 lakhs. The percentage of recovery effected by the bank during 1986-87 was 52 per cent. The bank had incurred loss in 1986-87 and 1985-86, the profit for 1984-85, was of Rs. 57,000. The present office building of the bank was constructed in 1967-68 at the cost of Rs. 5,500. The bank was awarded a district level prize for its good performance for 1972-73.

Marketing societies

Co-operatives in the field of Marketing play an effective role in linking of credit with marketing in addition to providing better and remunerative prices to the growers. Apart from the 11 T.A.P.C.M.S. general societies one each for a taluk, the district has 43 specialised agricultural marketing societies, of which 30 are meant for marketing of fruits and vegetables, five for crop marketing (*bele marata*), three for sugarcane, two for paddy, one each for cotton and tobacco and one 'other marketing society'. It is reported that of these 43 specialised societies only 26 are actually working and the rest are defunct (1986). The Central Paddy Marketing Society founded at Mysore in 1934 is the earliest and the first among the specialised marketing societies in the district. These co-operatives are also entrusted with the job of distribution of essential commodities and agricultural inputs, quality seeds and implements etc. Some of these have also set up processing units. These Societies also advance produce loans on the pledge of produces. Recently, these are working as procurement agents of Karnataka Food and Civil Supplies Corporation, Bangalore. During 1980-81, the total membership of all general societies was 19,916 with a share capital of Rs. 48.54 lakhs including the government share of Rs. 40.17 lakhs. The value of agricultural produces sold by these was of Rs. 36.81 lakhs; while the sales value of agricultural requisites *viz*, seeds Rs. 1.50 lakhs; fertilizers Rs. 23.01 lakhs, and others was Rs. 19.38 lakhs, this was apart from selling consumer goods worth Rs. 159.33 lakhs. The profit earned by six societies was of Rs. 2.36 lakhs while four had incurred a loss of Rs. 6.13 lakhs during 1980-81. The number of specialised marketing societies in 1980-81 was only 11 with a membership of 5,441 and a share capital of Rs. 1.63 lakhs including the Government share of Rs. 87,000. These Societies had advanced a loan of Rs. 1.26 lakhs.

By 1985-86 the membership of 11 general societies rose to 29,192 with a share capital of Rs. 55.71 lakhs including the Government share Rs. 45.84 lakhs. The value of agricultural requisities and consumer goods sold by them were valued at Rs. 80.00 and Rs. 319.03 lakhs respectively. The total profit earned by seven societies out of the eleven was of Rs. 8.29 lakhs while the total loss suffered by four was of Rs. 8.64 lakhs.

In 1985-86, specialised marketing societies (46) together had a membership of 3,887 with a share capital of Rs. 2.74 lakhs of which the share of the Government was Rs. 50,000 and of these only one had earned a profit of Rs. 10,000. In addition to above marketing societies, there is one, the Mysore Coffee Processing Co-op. Society working at Mysore, founded in 1969. During 1985-86 it had a membership of 677 and a share capital of Rs. 8.55 lakhs including the Government share of Rs. 5.33 lakhs. The installed capacity of unit is 2,880 tonnes while the quantity processed was 3,686 tonnes.

T.A.P.C.M.S. Kollegal.—The Taluka Agricultural Produce Co-operative Marketing Society for Kollegal taluk was incorporated in 1959 so as to provide proper infrastructure and marketing facilities in respect of agricultural produces and also to supply the necessary requisites like fertilizers, pesticides, quality seeds, equipments and building materials, etc. Since 1975-76, the society is entrusted with the work of public distribution system as wholesale agents and also worked as procurement agent of the Government. The total membership of the Society in 1959 was 498 inclusive of all categories with a share capital of Rs. 42,980 inclusive of Government share of Rs. 20,000 which increased to 754 members by 1969 with share capital of Rs. 4.16 lakhs. The sale of agricultural produces and other commodities effected by the society was Rs. 17.34 lakhs in 1968-69 as against Rs. 4.09 lakhs in the beginning (1959-60). By 1979 it had a membership of 1665 with share capital of Rs. 2.25 lakhs including the Government share of Rs. 1.92 lakhs and it had effected purchases and sales valued at Rs. 14.67 and Rs. 14.92 lakhs respectively, earning a profit of Rs. 10,389. By 1987 June it had 20 'A' class members (societies), 1361 'B' class (individuals and traders etc.) and one 'D' class (Govt.), altogether 1882 members with a share capital of Rs. 3.88 lakhs comprising of a Government share of Rs. 3.54 lakhs.

The total purchases and sales of agricultural produces, essential commodities and other requisites together effected by the society accounted to Rs. 146.74 lakhs and Rs. 147.74 lakhs for 1985-86, Rs. 107.98 and Rs. 112.58 lakhs for 1984-85 and Rs. 93.62 and Rs. 95.43 lakhs in the previous year respectively. At present the society has also undertaken the supply of controlled and non-controlled goods and food articles to all institutions of the Social Welfare Department in the taluk. It has opened a diesel and lubricants retail outlet at Hanur in 1986 by making an investment of Rs. 1.25 lakhs. The Society got constructed two godowns,

one of 200 tonnes capacity and another of 400 tonnes capacity (1982-83) at a cost of Rs. 25,000 and Rs. 1.34 lakhs respectively and the office building at a cost of Rs. 1.25 lakhs (1979-80) and two business shops (1981-82) at an expense of Rs. 37,000. The net profit earned by the Society during the last three years 1986-87, 1985-86 and 1984-85 were of Rs. 58,546, Rs. 2,01,000 and Rs. 43,251 respectively.

Sugar Factories

By the end of June 1986, the district had two co-operative sugar factories *viz.*, Sri Mahadeswar at Kunthur of Kollegal taluk founded in 1963 and Sri Rama at Chunchanakatte of K. R. Nagar taluk founded in 1973. The total number of feeding villages for these factories is 1705. During the year 1985-86 M.S.S.K. Kollegal declared lay off and subsequently its assets and liabilities were transferred to a private company in 1987. During 1984-85, the total membership of these two factories was 18,702 with a share capital of Rs. 420.11 lakhs including the Government share of Rs. 142.30 lakhs. The total borrowings of these sugar works was of Rs. 921.65 lakhs, the quantum of sugarcane crushed by these two units was 31,426 tonnes and the value of sale of sugar was of Rs. 43.27 lakhs. The accumulated loss suffered by these units was Rs. 1,179.27 lakhs (1986).

Non-Agricultural Credit Societies

The non-agricultural credit societies of the district include 11 urban banks and as many as 118 employees and other credit societies. The Mysore Co-operative Bank (1906), City Co-op Bank (1910), and the Muslim Co-op Bank (1916) are some of the earliest non-agriculturist credit societies of Mysore City. Regarding Employees credit societies, the H. H.'s Body Guards Society, Mysore was the earliest, founded in 1913 followed by the Chamarajendra Technical Institute Employees Credit Society (1920). Out of 11 urban banks in the district, 10 are situated at Mysore and another one at Chamarajagar (1984). Except one, all other urban banks in the district are governed by the provisions of Banking Company's Regulation Act, 1949.

By the end of June 1986, the total membership of 10 urban banks coming under the purview of the Banking Regulation Act was about 40,000 with a share capital of Rs. 116.82 lakhs as against eight banks in 1979-80, with a membership of 32,000 and share capital of Rs. 67.72 lakhs. The deposit mobilisation and deployment of credit by these in June 1986 was of Rs. 492.50 lakhs and Rs. 585.60 lakhs respectively, the corresponding figures for 1979-80 stood at Rs. 420.37 lakhs and Rs. 465.69 lakhs respectively. The profit earned by the eight banks in 1986 was of Rs. 25.96 lakhs as against Rs. 11.50 lakhs (two banks) in 1979-80. The number of employees' credit societies during 1979-80 was 125 with more than 30,000 members and share capital of Rs. 57.54 lakhs and had advanced

loans to the order of Rs.50.80 lakhs. By 1986-87 the membership of 118 employees and other credit societies was 29,192 with a share capital of Rs.55.71 lakhs and of these only seven together had earned a profit of Rs.8.29 lakhs. It is reported that out of these 118 non-agricultural credit societies, as many as 40 were under liquidation and another 15 were defunct by the end of April 1987. For the purpose of illustration, a brief working of Mysore Co-operative Bank is given in the following paragraphs.

The Mysore Co-operative Bank.—The present Mysore Co-operative Bank has the credit of being the first co-operative society in the district, incorporated in 1906 as a co-operative credit society. After serving for a period of six decades, combining banking and non-banking activities, in 1966, the society was reconstituted and renamed as co-operative bank. The society was initiated with 204 members and share capital of Rs.6,747 in 1906. In 1976-77, the membership increased to 4,707 with a share capital of Rs.5.64 lakhs and was able to mobilise deposits to the tune of Rs.50.75 lakhs and had deployed the total credit of Rs.37.81 lakhs. The profit earned was Rs.62,736. By the end of June 1987, the membership further increased to 6,313 with a share capital of Rs.10.73 lakhs.

For the first time, the Society started accepting of deposits in 1916. The volume of deposit accretion made by the bank during the last three years 1984-85, 85-86 and 86-87 were of the order of Rs.161.71, Rs.174.46 and Rs.198.00 lakhs respectively. The total credit deployed by the bank during 1985-86 was of Rs.146.92 lakhs as against Rs.133.37 lakhs and Rs.115.50 lakhs in the preceding two years respectively. During 1986-87, of the total employment of funds of Rs.163.27 lakhs, major portion was gold loan (Rs.51.38 lakhs), followed by property loan (Rs.47.66 lakhs), joint surety loan (Rs.17.15 lakhs), vehicle loan (Rs.9.56 lakhs) and utility loan (Rs.9.53 lakhs). The advances also included the industrial loan of Rs.2.66 lakhs. During 1986-87, of the total advances, Rs.32.88 lakhs were meant for SCs/STs and other weaker sections. The net profit earned by the bank for 1986-87 was Rs.3.04 lakhs as against Rs.4.45 lakhs and Rs.3.82 lakhs in the previous two years respectively. Since 1981-82, the dividend declared by the bank is 12 per cent. A portion of the profit is used for the benefit of the children of the weaker section members of the bank for the purpose of education. The amount spent for this purpose in 1985-86 and 1986-87 was of Rs.6,840 and Rs.7,695 respectively. The bank has its own building purchased in 1941 at a cost of Rs.20,000 and has a staff of 34. The platinum jubilee of the bank was celebrated in 1976.

Arya Bhagini Co-operative Society.—This is one of the early women's societies founded in Mysore district in April 1929 with the main objectives of rendering small financial help to the women of Mysore city, engaged in self-employment, specially in selling dried cakes of cowdung and curd who were subjected to much exploitation by the local money lenders in those

days. In the earlier years, the society used to distribute essential commodities, managed nursery schools, tailoring classes etc. for the benefit of the members. Now, the activities of the society are mainly confined to extending credit facilities. The society initiated with 17 members in 1929 had a membership of 853 with a share capital of Rs. 71,565 including the Government share of Rs. 16,500 by the end of June 1986 and the figures for 1976 were 571 members and share capital of Rs. 41,234. The deposit mobilisation of the society for 1983-84, 1984-85 and 1985-86 accounted to Rs. 22,149, Rs. 13,283 and Rs. 35,914 respectively; while the advances made in the above years accounted to Rs. 86,177, Rs. 1.08 lakhs and Rs. 98,696 respectively. The profit earned by the society accounted to Rs. 8,077, Rs. 5,356 and Rs. 7,356 for 1983-84, 84-85 and in the next year respectively. The managerial subsidy availed by the society for three years together during 1980-81 to 82-83 was of Rs. 7,500. The society had the privilege of winning the rolling shield during, 1931 to 1933, being adjudged the best women's society in the Mysore State and in 1957, a gold medal and a certificate of merit. The Society is housed in its own building since 1956.

Consumer co-operatives

The consumer co-operatives first appeared in the district during the period of the first World War. The first such society was founded at Chamarajapuram of Mysore in 1918. During the Second World War period and thereafter the number of these societies increased considerably specially in the urban centres. By the end of June 1980, there were 153 primary consumer societies in the district in addition to a District Central Co-operative Wholesale Store. The total membership of primaries was 48,700 with a share capital of Rs. 14.75 lakhs including the Government share of Rs. 3.40 lakhs. Out of the 153 primaries, 28 were dormant and 81 together had earned a profit of Rs. 3.64 lakhs. The total turnover of the primaries was of Rs. 145.20 lakhs. By the end of June 1986, the number increased to 179 with a membership of 59,000, and had a share capital of Rs. 11.60 lakhs including the Government share of Rs. 4.87 lakhs. The total value of goods purchased and sales effected by these societies accounted to Rs. 217.10 and Rs. 228.12 lakhs respectively. Of these societies, if 80 together had earned a profit of Rs. 2.40 lakhs, the loss incurred by 70 societies was of Rs. 9.70 lakhs.

Karnataka Co-operative Consumer's Federation Ltd., Bangalore is managing a hosiery factory at Mysore founded in 1979 at an investment of Rs. 3.40 lakhs. The present production capacity of the factory is about 70 to 80 dozen varieties of hosiery products per day, marketed through various co-operatives.

Central Co-operative Wholesale Stores

The Mysore District Central Co-operative Wholesale Stores was registered in 1963. Its membership comprises five different categories including

Government and affiliated primaries. By the end of June 1987, the membership of this federal body was 199 including 142 primary societies, with a share capital of Rs.14.44 lakhs including Government share of Rs.11.47 lakhs. The total purchases and sales effected by the store during 1986-87 were accounted to Rs.214.79 and Rs.221.32 lakhs as against 140.92 and 140.94 lakhs in the previous year. The similar business for 1984-85 was of Rs.130.22 and Rs.132.96 lakhs respectively. During 1986-87, the store was given Rs.50,000 interest free loan from the Government. The store had earned a profit of Rs.2.30 lakhs for 86-87, the loss incurred during the previous two years accounted to Rs.52,000 and Rs.3.4 lakhs respectively. From 86-87, the store has taken up the work of distribution of (Government) text books under Vidya Vikas scheme. The store has opened Janatha Bazaars Unit I in 1968 and Unit II in 1975 and a drug unit in 1987. The total purchases and sales effected by both the units of the Janatha Bazaar during 1986-87 was of Rs. 159.37 lakhs and Rs. 175.49 lakhs, while the corresponding figures for 1985-86 were of Rs.148.18 and Rs.159.73 lakhs and for 1984-85 the figures stood at Rs.154.20 and Rs.166.64 lakhs respectively. On an average, monthly sales of the two Janatha Bazaars during 86-87 was of Rs.13.79 lakhs. The profit earned by the first unit of Janatha Bazaar during the last three years was Rs.60,000 each for the years 1986-87 and 1985-86, and Rs.1.04 lakhs for 1984-85. In the case of the 2nd unit, it had incurred a loss of Rs. 57,000 for 1984-85; the profit earned for 1985-86 and 1986-87 was of Rs. 27,000 and Rs. 1.62 lakhs, and the profit of the drug unit for 1986-87 was Rs. 62,000. The total staff employed by the store during 1986-87 was 117 including Janatha Bazaars.

Housing Societies

These societies largely found in urban centres are helping their members for construction, improvement and repairs of houses by extending long term loans and advances. Some of these societies also formulate house sites for the distribution among its members under the guidance of the C.I.T.B., Mysore. The first housing society to be started in the district was The City Co-operative Housing Society, Mysore in 1916. The first housing society for the benefit of the SCs & STs was started at Ashokapuram, Mysore (*i.e.* Chamundeswari SC/ST H.B.C.) in 1934.

By the end of June 1980, the total number of housing societies in the district was 68 including 16 for the benefit of the SCs & STs. The total membership of all these co-operatives (68) was 20,130 with a share capital of Rs. 14.63 lakhs and their borrowings accounted to Rs. 90.56 lakhs. The loans advanced by these was of Rs. 8.34 lakhs. The total number of houses constructed with the help of these societies in the district was 281, and the profit earned by some of these societies was Rs.98,000. By the end of June 1986, the total number of these societies including the societies for SCs/STs was 100, and of these as many as 65 were reported from Mysore taluk. Of these (100) societies, as many as 30 were reported

defunct. The total membership of these societies was 33,602 with a share capital of Rs.33.90 lakhs and they had borrowed Rs.94.00 lakhs. The loans issued during the year (1986) was Rs.25.18 lakhs and the number of houses constructed was 445. If the total profits earned by 24 societies were Rs.7.18 lakhs, the loss suffered by 35 societies accounted to Rs.5.20 lakhs. By the end of June 1986, the total membership of the SCs/STs housing societies (16) was nearly 10,000 with a share capital of Rs.1.67 lakhs. The total amount of loan sanctioned by the Karnataka SCs & STs Housing Corporation in the district was Rs.31.77 lakhs for benefit of 1577 persons in addition to Government Loan of Rs.8.01 lakhs in 883 cases. The interest free loan sanctioned by the Corporation in the above year was of Rs.3.16 lakhs and a subsidy of Rs. 56,670. The number of houses completed were, those financed by Corporation 1,113, and those by Government finance 482.

Mysore City Co-operative Housing Society.—This society has a credit of being the premier housing society in the district incorporated in 1916 when building activities were undertaken in Mysore by the Government on a large scale, with the city as the jurisdiction, having main objectives of advancing loans to its members for construction, rebuilding and repairs etc. The activities of the society gained momentum from 1932 onwards due to increasing membership, sound financial position, etc. In 1932, the membership was increased to 239 and a share capital to Rs. 6,472 and it had loaned Rs. 18,801. By 1952, the membership was raised to 2,006 with a share capital of Rs.1.01 lakhs and the society was able to mobilise deposits of Rs.1.91 lakhs earning a profit of Rs. 9,453. By the end of June 1977, the membership further increased to 2,930 with Rs.1.54 lakhs share capital and Rs.9.67 lakhs as deposits, and it had advanced Rs.12.21 lakhs as loans, earning a profit of Rs. 18,000. By 1987 June, it had a membership strength of 2,972 with a share capital of Rs.2.33 lakhs and it was able to mobilise deposits to the tune of Rs.39.50 lakhs and had advanced Rs.32.37 lakhs. The profit earned by the Society during 1984-85, 85-86 and in the next year accounted to Rs.53,269, Rs.53,849 and Rs.45,198 respectively. Since 1985, the Society is able to declare a dividend of 12 per cent. Since its inception upto the end of June 1987, the loans advanced by the Society exceeded Rs. two crores, enabling its members to construct or extend and repair about 3,100 houses in all in Mysore city. The total assets of the Society by the end of June 1986 accounted to Rs. 45.90 lakhs including its own office building etc. A free reading room is also maintained by the Society. The Society's diamond jubilee was celebrated in 1978.

Dairy Co-operatives

The dairy co-operatives societies are playing very important role for the success of the 'white revolution' in the district launched by the K.M.F. by providing necessary infrastructure for dairy development and other allied activities under the World Bank assistance. The first dairy society to be organised in the district was at Hinkal of Mysore taluk in 1949. To

coordinate the activities of these primaries, and to render them guidance and other facilities, a Union of milk producers was incorporated at Mysore in 1976 as a federal body, with an area of operation of Mysore and Mandya districts (except Nagamangala and Maddur taluks). Since April 1987 the area of the Union is confined to Mysore district alone and it has opened branches at Hunsur and Chamarajanagar. The Union is managing the the Mysore dairy since June 1987. By the end of June 1980, the district had a net-work of 244 such co-operatives with a membership of 29,344 and share capital of Rs. 2.69 lakhs. They had issued a loan of Rs. 1.44 lakhs for the benefit of their members. They had procured the milk valued at Rs. 171.87 lakhs while the value of milk sold was of Rs. 194.59 lakhs. By the end of June 1986, the total number of milk societies increased to 453 (including 10 defunct and 21 under liquidation), with a total membership of 73,968 and a share capital of Rs. 43.03 lakhs. The procurement and sale of milk and other commodities effected by these societies was valued at Rs. 420.05 lakhs and Rs. 755.48 lakhs respectively. The profit earned by 370 societies was of Rs. 44.00 lakhs. The union had a total membership of 649 including the affiliated societies and other co-operatives with a share capital of Rs. 15.44 lakhs with a total working capital of Rs. 155.00 lakhs. The profit earned by the union was Rs. 12,000.

Industrial co-operatives

Industrial co-operatives of the district are broadly classified into weavers and other than weaver societies. The first weavers' co-operative of the district was formulated in 1917 at Mysore, named as Ramalinga Chowdeshwari Cotton Handloom Weavers' Society. The other earlier weavers society was at Sargur engaged in the production of bed sheets and towels. Among the non-weavers' industrial co-operatives the Khaddar societies at Mysore and Tagadur founded in 1925 are the earliest. Weavers Societies of the district were re-organised to make them economically viable and effective in their functioning, as a result of this, the number of weavers societies was reduced to seven in 1982. The silk industry is the largest cottage industry in the district specially found in Kollegal and Chamarajanagar taluks. By 1980-81, the number of weaving societies in the district was seven with 2,471 members and share capital of Rs. 69,000, with a total borrowing of Rs. 3.21 lakhs. They had issued loans of Rs. 1.72 lakhs. The value of production and sales effected by these co-operatives was of Rs. 66, 000 and Rs. 53,000 respectively earning a profit of Rs. 6,000.

In the above year (1980-81), the number of industrial co-operatives other than that of weaving was 137, and of them nearly half were dormant. The total membership and share capital of these bodies was 18,094 and Rs. 7.19 lakhs respectively. The total purchase and sales effected by these bodies was of Rs. 17.64 and Rs. 3.64 lakhs respectively.

By the end of 1986 June, the number of Weavers Societies was 15 (since the reorganisation proceedings of these societies was stayed by the

High Court) with 2,669 members and share capital of Rs. 35,000. Their total borrowing amounted to Rs. 5.66 lakhs. The value of purchases and sales effected by these societies accounted to Rs. 23,000 and Rs. 16,000 respectively. Of these 15 societies, only one was working. Regarding other than those of weavers, their number was reduced to 130 with a membership of 15,636 and had held the share capital of Rs. 14.87 lakhs. The total purchases and sales effected was Rs. 35.29 and Rs. 14.88 lakhs respectively. Of these societies, only 56 were reported as working and as many as 74 were declared as defunct. If the profit earned by 5 societies was Rs. 28,000, the loss sustained by 96 was of Rs. 89,000.

Industrial Co-operative Bank

The erstwhile district industrial co-operative bank founded at Mysore to cater to the credit requirements of industries, artisans and others, working under co-operative fold was amalgamated and reconstituted as a branch of the Karnataka Industrial Co-operative Bank Ltd., Bangalore, since 1973. Now, the bank finances the working capital requirements of registered small scale industrial units at concessional rate of interest, refinanced by the R.B.I. and to the priority sector out of its own funds. At the time of amalgamation, the former district bank had 560 members with a share capital of Rs. 5.71 lakhs and had outstanding advances of Rs.25.05 lakhs. By the end of June 1987, the branch bank had membership of 2,673 with share capital of Rs. 5.92 lakhs. The loans and advances made by the branch accounted to Rs.78.31 lakhs, while the deposits held accounted to Rs.36.99 lakhs with total borrowings of Rs. 44.54 lakhs. The profits earned by the branch for 1985-86 was of Rs.1.60 lakhs.

Farming Societies

Formation of Farming co-operatives was a rehabilitative measure to make agricultural operations economically viable, specially in the case of small and marginal farmers and other weaker sections by adopting consolidation of a land and mechanisation in farming by pooling the resources.

During 1985-86, the district had as many as 68 such societies and of them, only 29 were working and the rest are defunct. A district co-operative farming federation founded in Mysore in 1976, later became defunct. All the farming societies of the district are joint farming, and the first one to be registered was Uddur Aspatrekaval Agricultural Service and Development Society, Ratnapuri (Hunsur tq) in 1950 followed by Jeeyara Tenant Society at H.D. Kote in 1957. Among the taluks, H.D. Kote has the largest number (27) of these societies, followed by Chamarajanagar (14) and Hunsur (10). Consequent on introduction of Land Reforms Act in the State, there is a limited scope for organising these societies in the district. By end of June 1982, there were 69 farming societies in the district with 4,020 members and share capital of Rs.14.15 lakhs with a total command area of 15,004 hectares of which 3,168 hectares were under irrigation and the area brought

under cultivation was 11,046 hectares. Out of 69 societies, as many as 55 were organised exclusively for the benefit of SC/ST members. The value of production and sales effected by these 69 societies accounted to Rs. 9.63 and Rs. 3.12 lakhs. By the end of June 1986, the total membership of these (68) societies was 4,511 with a share capital of Rs. 17.56 lakhs with a total borrowings of Rs. 18.18 lakhs and they had issued loans of Rs. 9.49 lakhs. The total production of these societies was valued at Rs. 9.21 lakhs.

Other Co-operatives

In addition to the broad categories of co-operatives discussed above, there are other smaller groups of societies functioning in the district which include 27 irrigation societies and of which 16 are working with a total membership of 3,538 and a share capital of Rs. 59,000. The first society of this category was founded at Hiriyur (T. Narasipura tq) in 1956. There are 14 fisheries societies, of which 10 are working with a membership of 3,101 and share capital of Rs. 34,000. There are 13 transport co-operatives of which only 7 are working; five live-stock societies (two poultry and three live stock) of which only two are working with a membership of 1,023 and share capital of Rs. 17,000. The list also includes three labour contract societies including one forest labour co-operatives (all defunct). There are also two co-operatives *viz.*, Dicky Lorse and Sera Lama in the Tibetan Refugee Rehabilitation camps at Bylakuppe. The Dicky Lorse (Revival of lost glory) is good working Multipurpose Society with nearly 2,000 members.

Co-operative Union

The erstwhile Mysore Provincial Union founded in 1924 at Mysore to guide and shape the movement by imparting co-operative education to the officials and non-officials was renamed and reconstituted as District Co-op. Union in 1960, affiliated to the State Federal body, the Karnataka State Co-operative Federation (1987), earlier known as State Co-op. Union. Among other things, the main functional activities of the union include holding member education programme and other works of propagatory nature of the principles and policies of the movement, by means of holding seminars, study circles, symposia, study tours, co-operative week, etc.

The membership of the Union was 14 in 1960 and it increased to 407 in 1975-76 and to 431 by the end of June 1986. The number of young farmers trained was 90. While the number of managing committee members trained was 530 in addition to training about 7,106 prospective members of the managing committees of various co-operatives.

Co-operative Training Centre started in 1956 under the control of the Department of Co-operation was handed over to the State Co-operative Federation, Bangalore in 1965, which conducts junior basic courses in co-operation for the employees of the Co-operative institutions and also the employees of the department at the junior level for a period of six months and awards diploma in co-operation (G.D.C.) It also conduct short

term special courses like leadership training and orientation courses. The jurisdiction of this centre extends to Mysore and Mandya districts. The present intake capacity of the centre is 100 trainees. Since inception, upto the end of June 1987, total number of persons trained in this centre is 4,910, including 860 departmental trainees. The centre is housed in its own building with hostel and library facilities.

TRADE AND COMMERCE

Being considerably rich in agriculture and forest wealth, Mysore district enjoyed flourishing trade. It also enjoyed trans-oceanic commercial contacts through the nearest ports like Tellichery and Mangalore. Ptolemy (130 A.D.) speaks of beryl of Punnata (Heggadadevanakote region) which had an overseas demand. Inscription from Mysore district speak of ancient commercial centres like Talakadu, Kittur (headquarters of Punnata), Terakanambi, Mamballi, Haradanahalli, Kongupattana (?), Suttur, Malali (Manali), Mirle, Bandahalli, Kalale, Kudalur, Mudigonda, Hedatale, Hale Alur, Kallambala etc. Hale Alur is described the "Ayyavole of the South" in view of its commercial importance in a record of 1277 A.D. (Ch 188), and Mirle is similarly described in 1299 (Kn 89). Mamballi was a commercial centre full of 'Nanadeshis' in 1307. A Mudigonda record of the 13th century speaks of 18 (commercial) towns (*pattanas*) of Turainadu (Ko 112). The Kalale record of the 13th century speaks of traders like the *gavares*, *gatrigas* and *ankakarus* of the place (Nj 395). Starting of weekly shandy at Manali (Malali) on every Tuesday in 1278 or at Mugur in 1277 on the revival of such a shandy during the 16th century at Nagavalli are also spoken of in records. While reviving the shandy, remissions in the tolls like *sthala sunka* (local tax), *Volavaru* (entry tax ?), *horavaru* (exit levy) etc. were exempted. Veerashaiva literary tradition speaks of traders from Chamarajanagar area taking betelnut and other items to Madurai by foot.

The commercial towns had trade guilds called *nakhara* as mentioned at Kallambala in 1218 (Hg 81). The Peteshetty or Pattanashetty is spoken of in a Suttur record of 1771. Of the goods traded, inscriptions speak of textiles, yarn, betelnut, sandal billets, lac, cummin, safflower, tamarind, pepper, ginger, ghee, oil, betel leaves, jaggery, salt, rice, paddy, gunny bags, black gram and tobacco (at a later date). Improved roads during the 18th century gave a further fillip to trade, especially in the days of Tipu. The State had monopoly of buying certain items like sandalwood, tobacco, betel nut, pepper, iron etc., as seen from the records of Chikkadevaraya's times and Tipu also continued this State monopoly in trade in certain items and even undertook state trading.

Santhe (shandy) was the main retail and wholesale outlet and served as terminal market for internal local trade. A village secured the status of a

town where a shandy was started at the place. Starting of the shandys at Mugur and Malali have been already noted. The merchants used to build temples inside the shandy maidan and the week day of the shandy was at times fixed on the basis of the day considered auspicious for the local deity.

The rule of Tipu (1782-1799) was remarkable in formulating a unique trade policy motivated to promote trade. The policy of state trading, also to certain extent state banking was initiated during his period. Further impetus was given to foreign trade by entering into different trade *kouls* of discrimination to boost the foreign trade of Mysore. He followed restricted foreign trade policy prohibiting trade relations with hostile countries due to obvious reasons. Generally, he followed the policy of extending more concessions to those bringing merchandise from long distance. He had opened 12 foreign trade centres outside Mysore and India (in places including the Middle-East) to buy rare goods of those countries for the sale in his kingdom and the sale of rare commodities of Mysore there. As already indicated, trading in items like sandalwood, black pepper, tobacco, cardamom, silk and pearls were the monopoly of the State. He also prohibited export of cotton to encourage textile industry, growing of sugarcane was specially encouraged to produce quality sugar and sugar-candy. To promote and regulate inland and foreign trade, he had introduced commercial regulations in 1793-94 by constituting a board comprising of nine Royal Commissioners and it was headed by the Sultan himself. During his reign, though customs duties were very much oppressive and multiple, they were in the nature of insurance for goods, as goods lost in transit by robbery were compensated for. Three classes of duties were levied. In 1785, Tipu had opened 30 Government sales depots in important places of his dominion for promotion of internal trade. Shroffs and accountants managed these depots.

Improvement after 1831

After the transfer of the capital to Mysore in 1799, Mysore grew in importance as a commercial centre and considerable number of traders shifted their establishment to Mysore from Shrirangapattan. The Commission appointed by the British Government in 1831 took steps to develop trade and resources of the country by taking various steps including improvement of roads. In 1864, most of the duties levied on articles passing between Mysore and adjacent districts in British India, were removed. The trade was completely liberated from *sayer* duties. In 1879-80, *octroi* was introduced replacing *sayer* duties for the benefit of Municipal towns. The opening of Kollegal—Satyamangala State road in about 1860 established important trade links of the district with Kollegal, Satyamangalam and Coimbatore and improved the trade prospects of the district with Madras. In 1864, Bangalore Branch Railway was opened connecting Bangalore with Madras. Later in 1882, Mysore-Bangalore line

was completed. By 1889 Harihar was connected by Railway establishing link with Bombay. All these increased the trade prospects of the district. The introduction of British Indian currency was also favourable factor. The development of motor transport in the earlier decades of the present century for the conveyance of passengers and mail also promoted the trade. The inland trade of the district is now carried partly by road and partly by rail.

The Mysore Government taking part in the Chicago Exhibition in 1892-93, and later in the Franco-British Exhibition in 1908, and in the British Industries Fair enhanced the trade prosperity of the State in general and Mysore in particular, specially in handicrafts, silk, perfumes etc. The commencement of Dasara Industrial and Agricultural Exhibition in 1888 at Mysore was helpful in promoting the trade specially in silk goods, *kambliis*, vessels and fancy goods manufactured at Mysore. During 1916, Government of Mysore encouraged the establishment of High Class Indian Hotels in Mysore by allowing some concessions and providing incentives. Similar facilities were also extended to two merchants (T. Venkataswamy Chetty and B. Rangaiah, cloth merchants) from Mysore City out of six from the State visiting Japan for the promotion of business. The establishment of the present State Bank of Mysore in 1913 and the bank extending its operations in Mysore district immediately (1914) by opening branches indirectly helped the trade and commerce in the district. The Mysore Government had appointed a Trade Commissioner in London to popularise the product of the State including many industrial products of the district in 1929.

Imports and Exports

Forest products, joss sticks, leather, silk yarn, tobacco, blankets, sandal oil and food grains has been the traditional exports from Mysore district during recent centuries. In about 1917-18, two leather tanning units of Mysore city were exporting leather worth Rs. 50,000 per month to Madras and other provinces and there was a training school at Mysore to promote this trade. The other noted tanning centres were at Hunsur and Nanjangud. In the above year, the district used to export as many as 77 items including raw materials and manufactured goods through the centres like Bangalore, Kodagu and Satyamangala and to far off places outside the State. The total exports of that year valued at about Rs. 85 lakhs while the import comprised of as many as 88 items valued at Rs. 83.88 lakhs. The total number of commercial organisations in the erstwhile district of Mysore with 14 taluks were 3,931 and of them as many as 3,642 were individually owned firms with capital investment of Rs. 80.50 lakhs and the rest (289) were partnership firms with capital of Rs. 18.40 lakhs in the same year.

During 1930-1940s, the main agricultural produces exported from the district included paddy, *ragi*, jowar, *hurali*, betel leaves, oil seeds, silk,

tobacco, cotton, sugar, sandalwood oil, sheep etc, mainly sent to Coimbatore and the Neelagiris. The sandal oil from here was exported to Europe, America, Japan and other countries. The imports of the district mainly included wheat, salt, ghee, glass articles and cloth.

By 1940-41, Mysore was an important centre of paddy processing with large number of rice mills. The total value of paddy and rice worth Rs. 60 lakhs annually was imported and exported from here. Cotton and silk fabrics, especially georgettes and crepe-de-chine sarees manufactured here were very famous and exported in large quantities. Hunsur too was noted for local blankets and *chappals*. The bullock carts prepared here by the local craftsmen were known for their quality in the State and the place was also known as 'Gaadipalya'. Similarly, the mats prepared at Kadakola were very famous throughout the State and annual production was valued at Rs. 10,000 in 1935. Similarly noted Saligrama paper was having wide demand. According to old records it is revealed that the major portion of the trade in the district was handled by chief commercial communities like Lingayaths, Banajigas, Nagarthas and Vaishyas, but at Mysore proper it was dominated by Kunchitigas, Vaishyas and Muslims.

Present Imports and Exports

The items of imports and exports of the district have changed from time to time due to several factors like industrialisation, occupational changes and other factors. The present day centre-wise chief imports and exports of the district are as follows :

Mysore.—If chief imports include machine parts, metal goods including machinery, steel, copper, chemicals etc, the exports include sandal oil, joss sticks, silk sarees, handloom and power loom fabrics, Jawa motor cycles, bicycles, motor tyres, handicrafts etc. *Chamarajnagar*.—The main items of imports include sugarcane, cocoons and groundnut, the exports consist of jaggery, raw silk yarn and beedies etc. *Nanjangud*.—The main imports of this pilgrimage centre include cocoons, cotton and food grains, while the exports include silk and cotton yarn and Ayurvedic medicines. The Sadvidya Shala Private Ltd. founded here in 1913 manufactures Ayurvedic medicines and perfumery. The products of this unit are exported to Andhra and Tamilnadu (Export outside Karnataka for 85-86 was worth Rs. 3.55 lakhs). *Hunsur*.—The chief imports of the place include cloth, coffee, and salt while the exports include plywood, tobacco, timber, cotton yarn, leather goods, joss sticks, cement pipes, *kambliis*, furniture, bullock carts, etc. *Kollegal*.—The notable imports of the place include cocoons, oil seeds, art silk yarn and the exports include twisted silk yarn, silk sarees and clothes and handloom fabrics. *K.R. Nagar*.—Cloth, pulses and sugar are the main imports of the place while the exports include paddy, parched rice and beedies, etc. *Periyapatna*.—The main imports include tobacco leaves and cloth, while the exports include cured

tobacco, maize, ragi and coffee powder, *etc.* *T. Narasipura.*—Cocoons, groundnut and other oil seeds and food grains are the notable imports, while the exports include raw silk, edible oils and twisted yarn *etc.* *Yelandur.*—Yelandur receives mainly cocoons, textiles and food grains, while sends out silk thread, coconuts, puffed rice and jaggery *etc.* *Gundlupet.*—If rice and clothes are the main imports, the commodities exported are chillies, *beedies*, *kamblis*, betel leaves *etc.* *Heggadadevanakote.*—The merchandise imported here are sugar, cloth and food grains while the exports include cotton, groundnut and *ragi*. The other important trading centres of the place include Bannur and Sargur, the chief imports of Bannur include paddy, chemical fertilisers and clothes, while the exports include rice, sawn timber and jaggery. Sargur mainly imports cloth and food grains (jowar and *ragi*) and cotton yarn while exports handloom clothes, date palm leaf, mats and oil seeds *etc.*

Trade Centres

In course of time many new trade centres have emerged in the district due to expansion of trading and commercial activities. The present wholesale trade centres of the district include the places like Mysore, Kollegal, Chamarajanagar, Santhamarhalli, Terakanambi, Hunsur, K. R. Nagar, Bannur, Nanjangud and Bettadapura. Among the retail centres the following are prominent *viz.*, Yelandur, Kadakola, Arjunahalli, Saligrama, Kampalapura, Hura, Begur, Rathnapura, Periyapatna, Heggadadevanakote, Sargur, Haradanahalli, Singanallur, Mudukutore, Ravandur and Bilikere, *etc.* According to 1971 Census, the total number of wholesale business establishments in Mysore city was 356 (having 5th place among the nine major cities in the State), while the number of retail establishments in the district were 13,548 (3rd place in the State). As reported from the Department of Commercial Taxes, during 1980-81, the total number of registered dealers in Mysore under KST was 746 while under CST was 412. During 1986-87 the corresponding figures increased to 925 and 638 respectively. The distribution of wholesale and retail traders under KST was 331 and 594 respectively, while under CST the corresponding figures were 193 and 445.

Employment in Trade and Commerce

In 1971, the total number of people engaged in trade and commercial activities in the district was 39,151 and of them 3,156 were females. The break-up of urban and rural figures were 28,602 and 10,549 respectively. Among the taluks, Mysore naturally had the largest number engaged in trade, being 20,156 (of them 19,286 were in Mysore city proper), followed by taluk like Chamarajanagar (3,263), Kollegal (3,032), Nanjangud (2,427), T. Narasipur (2,019). Among the urban segments, next to Mysore were Chamarajanagar (1,769), Kollegal (1,655), and Nanjangud (1,243) (figures in brackets being of those engaged in trade and commerce). Regarding the number of females engaged in trade and commerce, Mysore taluk was

having highest number being 1,429 and of them 1,227 were in the city proper, followed by Chamarajnagar taluk with 305 and of them 204 in rural segments and 101 in urban, followed by Kollegal with 313; there also the number of women engaged in trade and commerce and their number in rural areas was higher (169) than in urban (144) areas. In T. Narasipura taluk out of 236 females engaged in this occupation, 178 were in rural areas and 58 in urban areas.

Trade Associations

Modern commercial activities have necessitated the formation of a number of Associations (like the guilds of olden days) by different sections of traders, to promote and strengthen their interest by united efforts. These non-statutory advisory bodies render useful services to their members pertaining to their line of business in addition to undertaking arbitration and consultancy services. The establishment of the present 'Federation of Karnataka Chamber of Commerce and Industry' in Bangalore in 1916 gave an impetus to the merchants in other parts of Mysore State to have their own association to promote their cause. The first such association to be formulated in the former Mysore district (then including Mandya dt. also) was at Mandya in 1937 followed by Mysore in 1938 known as the Mysore Merchants Association (in new Santhepet) with the objective to promote trade in Mysore City and outside by collection and distribution of information and to arbitrate disputes. Later in 1950-51, the said association merged with the Grain Merchants Association, Mysore. In course of time, many more local associations came into being. The associations are concentrated in Mysore. The following is the list of trade associations affiliated to the Federation of Karnataka Chamber of Commerce, Bangalore. The Mysore Grain Merchants Association, Hotel Owners Association, The Mysore Piece Goods Merchants Association, Chamber of Commerce and Industry, District Small Scale Industries Association, Mysore City Bakery Owners Association (all in Mysore) and the Merchants Association, Chamarajnagar. In addition to these there are many unregistered local associations in several urban centres of the district, like Jewellers Association, Pawn Brokers Association, etc.

The Mysore Grain Merchants Association was registered in 1950-51 with an objective of promoting the interests of grain merchants of Mysore city and also to educate them on matters like taxation and Government policy in force pertaining to their business. The Association also aims at undertaking certain charities and community welfare programmes. By the end of December 1986 it had a membership of 303 including 100 life members. The income and expenditure for 1986 accounted to Rs. 1.24 lakhs and Rs. 43,000.

The Hotel Owners Association came into being at Mysore in 1963 as a registered body and it mainly aims at educating its associates in

management of hotel industry scientifically, hygienically and efficiently in addition to promoting education and cultural development of its members, etc. The Association also educates its members about various agencies and their legal knowledge connected with hotel industries. This is associated to the State federal body (K.P.H.R.A.), Bangalore. It also provides free boarding to some poor and deserving students.

Regulated Markets

Regulated Markets are expected to ensure remunerative and competitive prices to the producers by avoiding distress sale and facilitate for orderly marketing in addition to building proper infrastructure needed for free marketing. Before the establishment of Regulated markets, there used to be several types of malpractices exploiting the producers. In the former Mysore State a separate marketing organisation was set up in 1935 under the control of the Department of Horticulture, Industries and Commerce to attend agriculture marketing. The Mysore Agricultural Produce Markets Act was passed in 1939 and was brought into effect in March 1947 when the rules were formulated. This paved the way for the establishment of regulated markets in the State. After the formation of new State a uniform and more comprehensive legislation replacing the similar legislations of other areas, the Karnataka Agricultural Produce Marketing (Regulation) Act 1966 was enacted and brought into force in the district in 1968. Under the Act, the District Marketing Officer (now redesignated as Assistant Director, Agricultural Marketing since 5th February 1987) is empowered to administer the provisions of the (1) K.A.P.M. (Regulation) Act 1966, (2) The Karnataka Ware Houses Act 1962, (3) Agriculture Produce (Grading and Marketing Act) 1937 (Central Act). To ensure more effective administration and implementation of the above rules and regulations, the office of the A.D.A.M. was opened in 1967 at Mysore.

Regulated Markets and Sub-Markets

At present (1987), the district has 6 A.P.M.Cs, and 12 Sub-markets. Except Mysore, the area of operation of other markets is more than one revenue taluk. The area of operation of other markets is as follows—
K. R. Nagar : K. R. Nagar taluk plus Bettadapur and Ravandur hoblies of Periyapatna tq ; *Chamarajnagar* : Chamarajnagar and Yelandur taluks and Terakanambi hobli of Gundlupet tq ; *Nanjangud* : Entire taluks of Nanjangud, H. D. Kote and Gundlupet except Terakanambi hobli ; *Kollegal* : Entire Kollegal and T. Narasipur taluks ; *Hunsur* : Entire Hunsur taluk and Haranahalli and Kasaba hoblies of Periyapattna tq. The year of establishment of Markets and sub-markets attached to them is as follows : (1) A.P.M.C. Mysore (1950), Kodakola (1971), (2) K.R. Nagar (1957), Bettadapura (1978), (3) Chamarajanagar (1961), Terakanambi (1970) and Santhe Marahalli (1975), (4) Nanjangud

(1964), Gundlupet (1978), Santhe Sargur (1979), and H. D. Kote (1985), (5) Kollegal (1965), Bannur (1971), Hanur and T. N. Pura (both 1978), (6) Hunsur (1979), Rathnapura (1981), Periyapatna (1988).

Imports and exports of Regulated Markets.—The market-wise main imports and exports of notified agricultural commodities is as given below : (1) Mysore —*Imports* : Onion, potato, coconut, rice, green-gram, bengalgram ; *Exports* : Neemseed, tilseed, sunflower, tamarind, groundnut and vegetables ; (2) K.R. Nagar—*Imports* : Edible oil, chillies and spices ; *Exports* : Paddy, rice and ragi ; (3) Chamarajnagar—*Imports* : Rice, ragi, and jowar ; *Exports* : Jaggery, groundnut, coconut and horsegram ; (4) Nanjangud—*Imports* : Edible oil ; *Exports* : Cotton, groundnut, tilseeds, banana, rice and coconut ; (5) Kollegal—*Imports* : Paddy and ragi ; *Exports* : Rice, maize, jaggery, groundnut, cotton, nigerseeds and *kambu* ; (6) Hunsur—*Imports* : Rice ; *Exports* : Tobacco, maize, cotton, ragi and timber.

Market functionaries.—Due to geographical expansion of regulated market areas, the number of market functionaries has increased in recent years. Total number of market functionaries in the district during 1985-86 was 1978, and of them 1,305 were traders of different classes, among the traders, majority constituted D Class (628) followed by A class (518) Among other functionaries the largest number was of importers (316), followed by exporters (204), Commission agents (75) and processors (70) The number of functionaries during 1981-82 was 2,332 and of them 1571 were traders and the rest others.

Income and Expenditure.—Among other things, the market fees, registration fees and licence fees constitute the income of the market. The income and expenditure of all regulated markets in the district in terms of lakhs during the last five years is as given below. (The figures in the bracket indicate expenditure) 1981-82 : 54.48 (25.78) ; 1982-83 95.31 (30.15) ; 1983-84 : 125.45 (41.36) ; 1984-85 : 56.54 (36.45) and 1985-86 : 56.60 (35.79).

Volume of Business.—Marketing of agricultural produces through A.P.M.Cs. is increasing rapidly. During 1981-82, and 1985-86 market-wise value of commodities sold in the district in terms of Rs. in crores is as follows : The figures in the bracket indicate value for 1981-82. Mysore (13.23) 10.73, Chamarajanagar (2.52) 8.95 ; K.R. Nagar (5.37) 1.10 ; Nanjangud (3.70) 1.61 ; Hunsur (5.63) 0.50 ; and Kollegal (6.35) 7.66. The table given below indicates the arrivals and sales value of some important notified commodities in the district for some recent years.

(Amount in lakhs)

Name of commodity	1981-82		1983-84		1985-86	
	Arrivals Quintals	Sales value	Arrivals Quintals	Sales value	Arrivals Quintals	Sales value
Paddy	1,55,045	45.22	1,20,779	223.43	99,619	180.07
Rice	66,094	181.47	39,839	143.13	64,739	231.97
Groundnut	72,663	222.85	79,067	275.16	97,497	343.66
Ragi	22,668	72.05	18,175	32.76	28,659	48.57
Jowar	47,321	58.73	48,715	74.59	29,655	45.82
Horsegram	19,747	35.10	28,560	46.78	31,476	71.34
Jaggery	55,401	248.41	61,009	169.95	1,76,406	749.80
Sunflower seed	18,789	95.32	17,039	68.21
Coconuts (nos.)	32,95,616	40.63	39,25,978	65.04	30,51,255	39.37
Livestock (heads)	77,841	41.33	74,355	526.83	66,394	306.07

Grading facilities.—‘Ag Mark’ grading facilities are available in Mysore market in respect of commodities like paddy, ragi, jowar, tamarind and groundnut.

Market development.—Market committees in the district have undertaken various developmental activities under different schemes and programmes out of their own funds, and also by the Central and State assistance. Under the scheme of N.G.R.G. the amount expended was Rs. 10.44 lakhs and Rs. 3.00 lakhs under S.F.D.A. The amount spent under central assistance for works like construction of office buildings, auction platforms, shops for traders, cattle sheds and for other civic amenities etc, amounted to Rs. 25.54 lakhs. By way of illustration A.P.M.C., Chamarajnar is introduced in the following paragraphs.

A.P.M.C., Chamarajnar

Regulated Market comprising of revenue taluks of Chamarajnar and Yelandur and the Terakanambi hobli of Gundlupet taluk was constituted in 1961. Later, in 1970 and 1975 two sub-markets were opened at Terakanambi and Santhemarahalli respectively being the wholesale centres of prominence of trade in the district. The Market Committee has notified as many as 27 commodities including sheep, goat and poultry. The chief notified commodities include jaggery, rice, paddy, greengram, groundnut, castor seed, honge seed, sunflower and arecanut. If rice, ragi and jowar constitute main imports of the market, the commodities like jaggery, groundnut, coconut and horsegram constitute the exports.

The main commodities that are chiefly transacted during the shandy days at Terakanambi sub-market include groundnut, coconut, horsegram,

jaggery and cattle, and at Santhemarahalli there will be a brisk trading in rice, *ragi*, jowar and jaggery.

The developmental works undertaken by the A.P.M.C. under various schemes and projects in recent years including 1985-86, accounted to Rs. 3.30 lakhs out of Market Committee funds and Rs. 1.08 lakhs under S.F.D.A. for construction of godowns and Rs. 4.10 lakhs under Central Assistance for civic works like office building, godowns, auction platforms, etc. at the main market yard, Chamarajnagar. The developmental works completed at the sub-market Santhemarahalli accounted to Rs. 7.05 lakhs for works like civic amenities in the yard out of the market committee funds, in addition to spending Rs. 2.00 lakhs under Central Assistance for office building, godown etc. The amount spent by the Committee under N.G.R.G. was of Rs. 2.04 lakhs. In 1981-82 the total number of market functionaries were 451, mainly comprising of different classes of traders (348). This was reduced to 427 during 1985-86, mainly comprising of 292 traders majority of them being 'D' Class traders (164), followed by 69 'B' class and 50 'A' class, in addition to 41 importers, 27 exporters and others. The method of sale employed in the market is open auction, tender and agreement. The total income and expenditure of the committee for 1985-86 were of Rs. 8.21 lakhs and Rs. 5.38 lakhs respectively as against Rs. 4.72 and Rs. 3.98 lakhs in the previous year. The relative figures for 1983-84 stood at Rs. 7.85 lakhs and Rs. 3.97 lakhs respectively.

In 1984, the Institute of Development Studies of Mysore University prepared a Development Project Report on this market. The project report reveals that the development of the market is essentially the development of two major wholesale shandies coming within the area of operation of this market, *viz.* Santhemarahalli and Terakanambi together sharing nearly $\frac{2}{3}$ of the total output traded in the Chamarajnagar Market, groundnut in Terakanambi and jaggery in Santhemarahalli are the important commodities that are traded with a hinterland extending upto 15—20 km. The wholesale transactions here lasts only for few hours commencing early in the morning.

The table given in P 361 indicates the arrivals and sales value of some selected notified commodities of this market for the year 1981-82 and 1985-86.

(Amount in lakhs)

Commodities	1981-82		1985-86	
	Arrivals in quintals	Sales value	Arrivals in quintals	Sales value
Jaggery	44,227	215.88	1,59,459	700.89
Rice	5,898	14.27	5,344	16.22
Ragi	1,192	1.61	4,003	6.26
Jowar	10,516	13.48	13,078	19.79
Onion	5,557	3.59	27,469	32.92
Groundnut	32,903	74.33	14,032	38.03
Neem seed	1,067	00.82	1,749	01.59
Tamarind	9,075	04.21	883	02.93
Coconut (nos.)	26,00,036	31.08	26,12,085	32.39
Cattle (heads)	1,088	NA	5,832	NA
Sheep (heads)	2,841	NA	2,198	NA
Goat (heads)	2,398	NA	2,305	NA

Shandis

In olden days shandis (weekly bazars) had facilitated barter trade transactions and even now they continue to be active retail and wholesale outlets for local produces. For good number of small farmers and artisans, these rural markets constitute focal points for marketing their produces. The existence of shandys during historical times has already been noted. The shandy held at Santhemarahalli (the word *santhe* here stands for shandy) on Tuesday when about 15,000 people used to congregate and merchandise worth about Rs. 2 lakhs were sold on that day and this was considered as biggest shandy in the princely State, as recorded in 1940-41. Similarly, Terakanambi was noted for spinning and weaving of khadi and 35 wholesale merchants of the town had trade connections with Calicut, Malabar, Satyamangala, Neelagiri and Mysore. A weekly fair was held here on Thursday when about 3,500 people used to assemble, and articles traded were coconut, groundnut, castor, gingelly, tamarind, jowar, horsegram worth about Rs. 30,000 every week in 1940-41. The shandis held at present at Bettadapura, Arjunahalli, Kadakola, Kamagere, (Sante) Saragur, Saligrama, Mudukutore, Ravandur, Bilikere, Santhemarahalli and Terakanambi are noted for sale of grains. According to 1981 Census, weekly markets are held in 27 villages of the district covering 4.59 per cent of the total rural population of the district. Among the taluks Periyapatna is best served by this facility with six shandis covering about 12 per cent of the rural population of the taluk and Yelandur taluk hold the last position. Out of 27 villages wherein shandis are held as

many as 18 have population of 2,000 or more. In contrast it is only in two villages having a population of less than 500 weekly markets are held.

In addition to shandis, the important *jatras* held in the district at Male Mahadeshwara, the B. R. Hills, Nanjangud and Talakadu etc. also facilitate considerable trade transactions both in commodities of general and special use and cattle (See Chapter III for details).

Taluk-wise list of important shandis: Mysore: Kadakola (Saturday), Chamarajanagar: Chamararajanagar (Saturday), Santhemarahalli (Tuesday), K. R. Nagar: K. R. Nagar (Friday), Arjunahalli (Tuesday), Saligrama (Saturday), Mirle (Monday), Chunchanakatte (Thursday), Nanjangud: Nanjangud (Friday), Hura (Monday), Kollegal: Kollegal (Monday), Singanallur (Friday), Mavattur (Sunday), Gundlupet: Gundlupet (Wednesday), Begur (Monday), Terakanambi (Thursday), and Hosur (Wednesday), Hunsur: Hunsur (Thursday), Rathnapura (Monday) and Hanagodu (Wednesday). Periyapatna: Periyapattana (Saturday), Bettadapura (Sunday), Kampalapura (Sunday), T.N.Pura: T. N. Pura (Monday), H.D. Kote: H.D. Kote (Tuesday), Bichanahalli (Sunday), Santhesargur (Friday), Hampapura (Sunday).

Cattle fairs and Markets

Cattle fairs and markets.—In addition to cattle fairs on the occasion of annual local *jatras* held at Mudukutore, Chunchanakatte, Suttur, Chandakawadi, weekly regular cattle markets are held at Kadakola, Santhemarahalli, Terakanambi, T. Narasipura, Rathnapura, Nanjangud, Arjunahalli, Kamalapura and Gundlupet under the control of respective Regulated markets. The records of 1940 indicate that the annual cattle fair held at Chunchanakatte was the biggest in the princely state, with exhibition of cattles ranging between 5,000 to 10,000.

State Trading

Till the establishment of K.S.F.C.S. Corporation, Bangalore in 1973, the Department of Food and Civil Supplies was procuring food grains under levy orders through the Food Corporation of India. Now, the procurement of paddy is undertaken by the Karnataka Food and Civil Supplies Corporation Ltd., Bangalore, through the agencies like TAPCMS and other co-operatives. Since 1981-82, levy paddy is collected from the millers and traders only on certain fixed percentage (50 per cent) and since 1985-86 rice is also collected. During 1986-87 the procurement of levy rice in the district was 1.20 lakh quintals as against the target of 3.20 lakhs; the corresponding figures for 1985-86 were reported as 96,532 quintals and 1.50 lakh quintals respectively.

Public Distribution

For effective implementation of the public distribution system, the Government have promulgated various orders from time to time. The public distribution system in the former Mysore State dates back to 1944

when statutory rationing was first introduced in Bangalore and K.G.F. (However discontinued in 1948). The pressing need for distribution of foodgrains was again felt in the State in 1965 when informal rationing was introduced in certain selected cities. In November 1974 it was extended to Mysore city and in 1978 this was further extended to all the cities and towns with population of 40,000 and above. Accordingly at present, Mysore and Chamaraajnagar come under informal rationing covering about 5.18 lakh population. The total number of ration shops in the district by the end of April 1987 was 1091, and of them 284 were in urban centres including 194 in Mysore City and the rest (807) in rural area. The number of ration cards issued in the district was 1.58 lakhs in urban centres including 1.10 lakhs in Mysore city while in the rural centres the cards issued were about 4.61 lakhs. By the end of March 1986 the total number of Green Cards distributed in the district was about 2.53 lakhs and the number of beneficiaries were reported as 6.74 lakhs.

Warehousing

To suit the prevailing local conditions, different methods of conserving food grains specially by agriculturists are in vogue. The concept of Public Warehousing is a recent development. The temples used to have common warehouses for storage of food grains in villages, and when land revenue was to be collected in kind, warehouses at various points to store them existed in the earlier centuries. Tipu had a central warehouse at Shrirangapattana to store merchandise of State trading in addition to small depots at other places. On the basis of the recommendations of All India Rural Credit Survey Committee (1954), the public warehouses both Central and State under the Warehousing Corporation Act 1962 were set up all over Karnataka including the Mysore District.

At present, Central Warehouses are functioning in the district at K. R. Nagar (2,124 tonnes capacity) and Mysore (425 tonnes). The Central Warehouse at K. R. Nagar being hired since 1978, is a general warehouse of rural base for stocking foodgrains, fertilizers, oil seeds and other notified commodities. The Warehouse at Mysore is field bonded warehouse working since 1984 wherein only dutiable imported goods are being deposited and being operated in the premises of importers such as WIPRO Information Technology, Karnataka Ball Bearing Corporation and Deepak Insulated Cable Corporation. The income and expenditure of Central Warehouses in the district for 1985-86 were accounted to Rs. 2.75 lakhs and Rs.1.81 lakhs respectively as against the corresponding figures of Rs. 2.00 lakhs Rs. 1.33 lakhs for 1984-85.

The State Warehousing Corporation has its own godowns at Mysore (1962-63 and 67-68.), T. Narasipur (1966-67) and at Kollegal (1984-85). The storage capacity at Mysore is 6,900 tonnes while the other two have 1,000 tonnes each. In addition to the above owned warehouses, the State

Warehousing Corporation also manages hired general godowns at the following places—Chamarajnar (400 tonnes), Hunsur (1,000 tonnes), Bannur (421 tonnes), Nanjangud (1,000 tonnes), Mysore (4,050 tonnes), T. N. Pura (629 tonnes), Kollegal (350 tonnes).

Apart from extending storage facilities and issuing Warehouse Receipts serving as negotiable documents for bank advances, these godowns of Central and State are having schemes of Dis-infestation Service at the door steps of farmers, co-operatives, Government and other organisations. The warehouse at Hunsur offers services of fumigation of tobacco nursery beds and soil fumigation. The total income and expenditure of the five godowns (Mysore, T. N. Pura, Kollegal, Chamarajnar and Hunsur) of State Corporation for 1984-85, accounted to Rs. 10.67 lakhs and Rs. 7.53 lakhs as against Rs. 8.81 lakhs and Rs. 5.95 lakhs for 1983-84 respectively. In addition to these godowns, there are also godowns owned and managed by the Co-operatives at several places in the district.

WEIGHTS AND MEASURES

Like currency and coinage, a great variation can be seen in the weight and measures employed in the district for trading. Inscriptions speak of *khanduga* and *kolaga* for grains and *solige* for liquids with reference to ancient and medieval times. Chikkadevaraja Wodeyar who ruled Mysore during the 17th century is said to have introduced common weights and measures in his dominion of 84 *gadis* (taluks) by stamping his monogram and kept them in each Chavadi to be used in shops and markets. The weight of three Kanthiraya *hanas* was taken as equal to one *duddu* on the basis of which scale of weights were fixed. Accordingly one *duddu* was equal to one tola, 24 *duddus*—one *kachcha seer*, 10 *kachcha seer*—one *dhadiya*, four *dhadiya*—one *chikka mana* and 44-46 *seers* equalled one *dodda mana*. By this weight, the commodities sold were areca, sugar, cotton, silk, drugs etc. There was a *seer* called *pakka seer* formed by mixing equal quantities of *navadhanya* equal to the weight of Rs. 84 put into a vessel that exactly contained it when heaped. Oil and ghee were sold by a measure, also called *seer*, the weight of which was put into cylindrical brass vessel exactly measuring about 75 cubical inches.

In 1800 A.D., the weights and measures in the district were of two kinds: (i) balar weights used for bazar articles (tamarind, turmeric and all kinds of drugs) and (ii) weights for bazaar and revenue transactions (grains). For almost every town and district weights and measures differed widely, the advantage of which was taken by the local cunning traders. It was very common practice to mention in the settlement of a bargain the weights to be employed. The common weight fixed upon was the copper coin of the country and for large quantities of any articles previously determined stones were employed, meant for the purpose with common

consent. For measuring length, the imperial standard i.e. yard was adopted since 1894. The land measure in Mysore corresponded with the sowing capacity—the area of the land which can be sown with a particular quantity of seed. (But inscriptions also mention *nivartana*, *kamma* and *matter*). Sowing capacity varied greatly from land to land and grains. These variations continued upto 1902 when the Mysore Weights and Measures Regulation was passed in July 1902 and rules thereunder in 1912. The above Act was amended in 1927 made applicable to entire State in old Mysore. Accordingly Mysore *seer* measure and *seer* weight were prescribed as standards all over the State. The Act provided for the compulsory use of tested and certified weights and measures in areas notified by the Government. The standard weights as prescribed were: the '*seer*' weight which was a mass of metal equal to the weight of Rs. 24 (24 tolas) of British Indian currency. *Arapavu* was equal to 3 tolas or $\frac{1}{8}$ *seer*, *pavu* was equal to 6 tolas or $\frac{1}{4}$ *seer*, *achcheru* was equal to 12 tolas or $1\frac{1}{2}$ *seer*, *pancheru*=5 *seers*, *dhadiya*=10 *seers*, *mana*=40 *seers*.

The standard measure or capacity was '*seer*' divided into *achcheru* ($\frac{1}{2}$ *seer*), *pavu* ($\frac{1}{4}$ *seer*), *arapavu* ($\frac{1}{8}$ *seer*). *Balla* was equal to 4 *seers*, *kolaga* was equal to 8 *seers*, and *palla* was equal to 100 *seers* and *khandi* was equal to 20 *kolagas* or 160 *seers*. But the number of *seers* making one *kolaga* had been different in different parts during earlier times. The Sulthani *kolaga* introduced by Tipu contained 16 *seers* and that of Krishnaraj *kolaga* introduced by Poornaiya contained 8 *seers* being $\frac{1}{20}$ of Krishnaraj '*khandi*'. There was also a *kolaga* measure of 10 *seers* called as *kararu kolaga*. The Industries and Commerce Committee of the Economic Conference made several recommendations for improving the system in 1916. Accordingly, in 1918, the activities of supplying, testing and stamping, etc. of weights and measures was transferred to the Department of Industries and Commerce from the Revenue and entrusting the enforcement of rules to the Revenue and Police Departments. The Mysore Premier Metal Factory was entrusted with the work of manufacture and supply of set of weights and measures on certain conditions.

Even before the introduction of Metric system of weights and measures, there was a great variation. If it were 210 *seers* per *khandi* in Bangalore, it was 200 in Channapatna, 180 in Mysore and 240 in Hassan for commodities like grains, pulses, seeds, etc. If groundnut (unshelled) was measured at the rate of five *seers* per *kolaga* at Mysore, it was 10 *seers* in Bangalore. If a *maund* of copra weighed $31\frac{1}{2}$ lbs in Tiptur and Arasikere, it was 25 lbs in Bangalore and 24 lbs in Mysore. The standard weight prescribed under the Mysore Act (1927), a *seer* was equal in weight to 24 tolas of 180 grains troy and standard Measure-Seer was equal to the capacity to hold water in weight of 108 tolas.

Introduction of Metric System.—Based on the standards of Weights and Measures Act 1956 (Central Act), the Karnataka Weights and Measures (Enforcement) Act was brought into force in the district in 1958 and rules thereunder in 1959. To have an effective enforcement and administration of the department, the Office of the Assistant Controller of Weights and Measures was opened at Mysore in 1962, with two sub-divisions, Mysore and Nanjangud. In 1980, two more sub-divisions (Kollegal and Hunsur) were added. In 1986, Mysore sub-division was bifurcated into two sub-divisions. The main functions of the department include verification and stones of the Standards of Weights and Measures (Packaged Commodities) Rules 1977. During 1986-87, the number of traders, industrial establishments, petrol and H.S.D. pumps coming under the purview of the department were 11,420, 1,210 and 154 respectively and it had verified and stamped weights (1.19 lakhs), measures (60,759), weighing instruments (63,180) and measuring instruments (154). The verification and stamping fees collected was of Rs. 5.40 lakhs. The fine imposed by the department for contravening various provisions of Weights and Measures Act, and Package Commodities Act, in the district for 1986-87 was of Rs. 26,576 and Rs. 9,155 respectively and the number of cases detected for violation of provisions of the above Acts were 504 and 100 respectively.