

CHAPTER VI.

BANKING, TRADE AND COMMRCE. INDIGENOUS BANKING.

The village *mahajan or sahukar* or the money- lender was the normal banker before organised banking institution came into existence.

His rate of interest was usually was variable according to circumstances. The facility was credit facility was easily available. Very often a part of the capital would be deducted as interest in advance. The mahajan was ordinarily a man of the village or a neighbouring village. He might have been the *zamindar* or big cultivator or the village grocer. Non payment of the dues would have been a social stigma.

The urban areas of Dhanbad have developed in recent years and there has hardly been any any indigenous banking there. Some of the commercial firms or the Marwari *gaddis* have had banking business either through *hundis* or regular freezing of accounts. But such cases are rare. The colliery areas however, have had indigenous banker for giving credit in itinerant Afghan sellers (*kabuliwalas*) of blankets, etc. usually they advance loan at a high interest but without any security. Recently some Sikh traders have also been advancing loans. Some of the Agarwala and Marwari families have also taken to bankin in a small way, but only for giving long and foreclosing them and grabbing the mortgaged property.

GENERAL CREDIT FACILITIES INDEBTEDNESS AND MONEY-LENDERS.

Sources of general credit facilities now available in the district comprise the professional money- lenders big agriculturists, amateur money-lenders traders banks and lastly the State.

Regarding usury it may be said that this has been controlled to some extent by legislation but not totally. The privet moneylenders hardly show any sing of disappearing. In the district of Dhanbad, the modern banking organization has not yet percolated to the rural areas. The money-lenders have been occupying a promineted position both in the rural and urban areas.

The Government of Bihar passed the Bihar Money-lenders Act in 1938 to protect the borrowers from the professional money-lenders. By this Act a money-lenders is required to get himself registered and obtain a license for carrying on his business. He is also obliged to

BANKING TRADE AND COMMERCE.

maintain regular accounts in respect of each loan transaction showing the outstanding amount of the principal, interest and the payments. The Act has fixed the rate of interest as follows:-

Secured loan	Unsecured loan.
1. simple interest-9 per cent per annum	12 per cent per annum.
2. Compound interest-prohibited	.. prohibited.

. In spite of the Act the money-lenders are known to be realizing an exorbitant rate of interest by underhand means. A part of the long is usually deducted and this is not shown in the account. There are reasons to believe that there are still many unregistered money-lenders. The number of registered money-lenders is also on the increase.

The table below supplied by Registration Department will show the annual statement on the working of the Bihar money-lenders Act for Dhanbad district from 1959-60 to 1961 to 62.

The following families carried on money-lending business of Rs. 20,000 and above during the year 1961-62*:-

Name of families.	place where business was carried on	Amount of business in rupees
1. Niranjan Lal Bagira c/o Bhim Raj Bagira, Jharia.	Jharia town	20,000 and above.
2. Smt Karna Jaiswal, wife of Sheo Shankar Jaiswal, Sindri	Jharia town	20,000 and above
3. Jaishankar Mehta, son of Bhagwati Lal Mehta, Jharia	Jharia town	20,000 and above
4. M.L Rathor Lodha Rathor, Dhanbad.	Jharia town	20,000 and above
5 Smt. Dubhi Devi wife of Girdhari Lall, Jharia.	Jharia town	20,000 and above
6 Dhansukh Lall Ltd., Jharia	Ditto	20,000 and above
7 Braj Mohan Kejriwal, son of Gurudayal Kejriwal, Jharia.	Ditto	20,000 and above
8 Ram Parekh and Company Ltd., Jharia	Ditto	20,000 and above
9 Promod Chndra Sen, son of Hardas Sen, Dhanbad.	Dhanbad town	20,000 and above
10 Jagdish Chandra Maghera, son Of Kesholall Meghera, Jorapokhar,(2) Dhanbad Dhanbad	(1) Jorapokhar, (2) Dhanbad town	20,000 and above

* The statement has been compiled from data given by the District Sub- Registrar, Dhanbad.

DHANBAD.

Name of families	Place where business was carried on	Amount of business in rupees
11. Kedarnath Lall, son of Maunalall Jhunjhunwala, Dhanbad.	Dhanbad. town	20,000 and above.
12 Gopalji Madhavji, son of Madhavji, Dhanbad.	Ditto	20,000 and above
13 Nand Kishor Chokhani, son of Hanuman Chokhani, Jharia	Jharia town	20,000 and above
14 Ramnath Durga Prasad, son of Durga Prasad Agaewalla Dhanbad.	Dhanbad. town	20,000 and above
15 Kedarnath Kejriwal, son of Sheolall Kejriwal, Dhanbad.	Ditto	20,000 and above
16 Balbhadra Singh, son of Rajballav Singh, Jharia.	Jharia town	20,000 and above
17 Smt. Anari Devi wife of Naraindas Agarwal, Jharia.	(1) Jharia town (2) Dhanbad town	

Besides these private agencies for lending the Government also lend to the cultivators taccavi and other longs and there are Co-operative Societies which also lend money to cultivators. The proportion of borrowing from the different agencies to the total borrowings of cultivators is calculated to as follows:-

Credit agency.	Proportion of borrowing from each agency to the total borrowings of cultivators. Per cent.
1 Government	3.3
2 Co- operative	3.1
3 Relatives	14.2
4 Agricultural money-lenders	24.9
5 Professional money-lenders	44.8
6 Traders and commission agents	5.6
7 Landlords	1.5
8 Commercial Banks	0.9
9 Others	1.8
Total	100.0

BANKING, TRADE AND COMMRCCE.

Under of licensed money-lenders.

Year	At the beginning of the year.		Who resisted for the first time during the year		Whose licenses were renewed during the year.		Whose licenses were cancelled during the year.	
	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>
1	2	3	4	5	6	7	8	9
1959-60	937	188	142	73	43	15	..	..
1960-61	500	693	116	140	20	30	..	..
1961-62	536	729	100	141	24	35	..	..

Amount of long advanced during the year.

Year	Whose fine – year terms of licenses expired during the year.		At the close of the year		With security.		Without security.	
	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>	<i>Urban.</i>	<i>Rural.</i>
1	10	11	12	13	14	15	16	17
					Rs.	Rs.	Rs.	Rs.
1959-60	150	55	972	221	13,20,395	2,03,717	1,30,724	28,208
1960-61	100	134	536	729	10,00,76	14,63,922	66,318	79,764
1961-62	85	117	575	788	56,11,211	7,66,008	40,006	69,300

INCIDENCE OF INDEBTEDNESS.

The economy of the average family in the rural areas is based on the quantity of land or on the earner's personal wages in case he or she has no land. In a district like Dhanbad where the parts to the north of Grand Trunk Road cover rather unfertile lands it will not be correct to have any absolute categorization according to the quantity of land as the indicator of economic incidence. broadly, however, cultivator may be divided into three categories, viz, (i) those who own up to six acres of land ; (ii) those who own seven to twenty *bighas* of land and (iii) those who have land above 30 *bighas*. besides the cultivators, there is a large class of landless agricultural laborers. Landlordism has now been abolished. Most of the erstwhile landlords have now taken to same service or professions as contractor or business, etc .

DHANBAD.

The economic conditions of these categories of men excepting these who have than thirty bighas of admit of any good scope for saving. On the other hand indebtedness is also a normal feature of these categories.

The marked feature of the economy of the district in the rural areas is the possibility of getting occupation in collieries or in the industries. This possibility brings in an additional income and saves many families from chronic indebtedness. It may be noted that some of the villagers particularly residing near colliery or industrial areas have utilized their possibility of savings properly and some of them have invested in constructing houses of better type or acquiring lands. Many of these villages are small or large contractors or are associated with their cultivation. Many of the villagers whether they are cultivators or landless people, sell their physical labor in the collieries or in the industrial areas. At the same time certain prominent traits such as improvidence and drunkenness have often been an obstacles to save more and to liquidate the incidence of indebtedness. No detailed study was made in the villages regarding the incidence of indebtedness among the various income-groups of people and the observation made have a general but not an absolutely accurate applicability. There has been no investigation by any enquiry committee. It may, however, from cursory investigation that was made, be observed that about 50 per cent of the cultivators particularly of smaller of smaller status are in some sort of indebtedness. In some case the indebtedness is possible to be liquidated but owing to the habits and social demands the indebtedness remains. The indigenous populations of the district is now, more or less confined to the rural areas while the urban areas are full of people who have come to Dhanbad from outside the district or the State for business or other purposes. Particular mention has to be made as to the agricultural indebtedness of the tribals. An enquiry was made in some of tribal villages in Tundi areas. The investigation suggests that indebtedness is a normal feature of almost all the villages that was studied.

The impact of the Community Development Project on a tribal areas was studied. It was found there was little or on economic improvement of the tribals in spite of the efforts of the Community Development Projects. There has been also a certain amount of wrong planning. Japanese method of paddy cultivation was sought to be introduced in some of these tribal villages although this method of paddy cultivation requires proper irrigation utilization of fertilizers and more individual care of the cultivation. The initial expenditure for Japanese method of paddy cultivation is almost double that the indigenous method of paddy cultivation. In the tribal villages where study was made the Japanese method of cultivation was found to have been introduced without success. There was

BANKING ,TRADE AND COMMERCE.

hardly any facility for irrigation, financial backing for purchase of fertilizers and it was a mistake to try in a routine manner the introduction of this method of cultivation. On the other hand, development of coalfield was a line that had a personal appeal to the tribal. improve the breed of poultry if improved breed pullets or eggs were supplied and instruction provided But. It was found that very few eggs had been distributed. Rearing of better type pigs was another line that might have been more quickly adopted by them. But there was hardly attempt to do this. It was that grain- goals had helped to some extent but the aid was not adequate.

So far as the incidence of indebtedness in the urban areas is concerned the picture is somewhat different. One hand there are possibilities of savings and actual accumulation of savings among certain groups of people who are residents in the district and on the other hand there are large classes of men who could be described as middle class or lower middle class, who have a very little chance of savings and indebtedness is a common feature in their economy. The group of men vaguely described as the common men could be taken to have a monthly income up to Rs. 100 per month. Another group is represented by then whose income is from Rs. 100 per month to Rs. 200. The third group will be those whose monthly income is Rs. 200 to Rs. 500 the last group covers those whose income is Rs. 500 and above. The terms like the common man, lower middle class upper middle class and the rich are rather vague and apt to misunderstand.

Dhanbad district has the highest number of towns according to 1961 Census. It is a peculiar fact that the towns are full of men who are not the original inhabitants of the district or even of the State. Many of them came for business, interest in collieries and mines or as contractors. Most of them have built palatial houses, acquired large chunks of land and other social obligations they occasionally go back to their original home districts. It is however, a very significant fact that it is these persons who have mostly ploughed back the money they earned into other business interests of the districts. They have not as a class carried away the money to their home districts. Most of the large business interests are now in their hands but they cannot be accused of the charges of self- aggrandizement. On the other hand these businessmen, colliery and mining kings have introduced what may be vaguely described as a self- generating king economy and have helped to build up the industrialization of the districts. A Dhanbad district is a typical example of indigenous agricultural economy passing into an industrial economy. The earlier annals show the economy to be absolutely pivoted to a little bit of land a primitive method of cultivation by the tribal who also used to help themselves with a little bit of scratching

DHANBAD.

of the soil and collection of a little coal locally consumed or marketed in the neighborhood. But that economy has now completely changed. Although agriculture engages the bulk of population, it has not been able to give them sufficiently large meals a day. The agricultural economy of the primitive tribal of Dhanbad district is not to be found practically in the neighborhood of any urban area. Even the tribal villagers do not depend on agricultural economy alone. The tribal as mentioned before have fully taken advantage of the collieries and mining interest although mostly as manual workers. The opening up by the surveyors and the geologists was followed by the advent of the entrepreneurs, technical, skill and the capitalists. This led to more of urbanization as every large industrial or colliery or mineral interest led to a certain amount of urbanization. The result is seen today in the fact that Dhanbad district is the only district in the state of Bihar that is jotted with urban areas almost throughout the southern portion of the Grand Trunk Road in spite of the fact that the district is extremely small in area. It has not been possible for more urbanization in the portion to the north of the Grand Trunk Road because of the contour of the land and the paucity of collieries or mineral interests.

While discussing the question of indebtedness in the urban areas we have to mention the fact that the business magnets of the district have been extremely liberal with their purse strings. During the last Great War they had liberally helped the war efforts. In the present tension due to the Chinese (1962) they have also been liberal in their contributions. Again this district has usually led in banking the savings for defense efforts. It is true that wars may mean particular acceleration of certain types of business interests bringing in more money but it does not necessarily follow that the people who make money out of such emergencies will always give their money in charity. It is again these richer folk in Dhanbad district that have been liberal in starting libraries, schools, colleges, hospitals and such other institutions. The Income-tax Department has a very large clientele within the district and a good percentage of them pay the super tax. These facts have to be borne in mind when the incidence of indebtedness of the district in the urban areas is to be considered.

It is however, a fact that such men whose income is much above the four categories as we have suggested, form a very small moiety of the urban group. It is true that this small group is a very important factor in the economy of the urban areas but their impact on the other section has not always been for their substantial economic incidence. It is correct that these small groups through their business, colliery and mining interests have provided ample opportunities for employment but the level of wages has not been very large.

It is better to give an analysis of the economic incidence of the different groups that have been suggested.

BANKING ,TRADE AND COMMERCE.

The standard of living of the low income-group (up to Rs.100) people in urban areas is very low. Rickshaw pullers, *darwans, chowridars* and office peons constitute the major portion of this group.

To ascertain the incidence of indebtedness among the men of this group, the family budget of rickshaw puller was taken during investigation. The average number of family member is eight one male, two females and five children aged about 2,4,6,8,and 10 years respectively. The entire unit of the family comes to 5. The husband and wife are the earning members. Their total monthly earning comes Rs.145 but actually the income is Rs. 100 because the rickshaw puller has to pay Rs. 45 to the owner of the rickshaw as monthly rent. The income from rickshaw-pulling varies from month to month. The items of monthly expenditure are as follows :-

- (1) Rickshaw rent – Rs. 45.00
 - (2) Rice – Rs. 23.50.
 - (3) *Atta* – Rs. 17.25.
 - (4) Pulses – Rs. 5.00.
 - (5) Oil - Rs. 4.50.
 - (6) Vegetable – Rs 5.00.
 - (7) Medicine (average monthly) – Rs. 5.00.
 - (8) Entertainment – Rs. 5.00.
 - (9) Clothing (average in a month) – Rs. 5.00.
 - (10) Fuel – Rs . 5.00.
 - (11) Lighting – Rs. 2.00.
 - (12) House Rent – Rs. 10.00.
 - (13) Intoxication including tea, biri , pan, etc. - Rs. 35.00.
 - (14) Miscellaneous – Rs . 5.00.
- Total - Rs. 172.25.

It may be mentioned that there is no expenditure on items like milk and *ghee*, fruits, education and domestic services etc. It is apparent from the above figures that the rickshaw puller has to take lone to meet the expenditure. He is in debt. He indulges himself in many kinds of vices viz, drinking, etc.

In the second income group the income varies from Rs. 100 to Rs.200. Clerks, teachers of primary and middle school , industrial labourers and mine workers constitute the major portion of this group. The family budget of a teacher and a mine worker was taken to ascertain the incidence of indebtedness.

- (a) *Family budget of a teacher* – The average number of his family members are husband, wife ,dependent (1)and two sons aged

DHANBAD.

about 10 and years respectively. The entire unit of the family comes to 5. The total monthly income is Rs. 140 per month, i.e., Rs. 90 from pay and Rs. 50 from tuition.

The items of normal monthly expenditure are as follows :-

- (1) Rice – Rs. 26.
 - (2) Atta – Rs. 10.
 - (3) Pulses – Rs. 7.
 - (4) Mustard – Rs. 8.
 - (5) vegetables – Rs. 15.
 - (6) Fish and meat – Rs. 5.
 - (7) Entertainment – Rs. 5.
 - (8) Medicine (average monthly) – Rs. 10.
 - (9) Transport – Rs. 10.
 - (10) Milk – Rs. 20.
 - (11) Pan – Rs. 5.
 - (12) Electric charges – Rs. 3.
 - (13) Coal – Rs. 4.
 - (14) Sugar – Rs. 6.
 - (15) Spices – Rs. 5.
 - (16) Miscellaneous – Rs. 30.
 - (17) House rent – Rs. 20.
 - (18) Clothing – Rs. 5.
- Total – Rs. 194.

The above figures show that the teacher has to take loan to meet the expenditure or to deprive the family of some basic wants.

(b) The family budget of a mine worker of Jharia colliery was taken during investigation. The average number of his family members is 9—two males, two females and five children aged about 3, 6, 8, 10 and 12 years respectively. The entire unit of the family comes to 7. There are three earning members in the family, i.e.,

Their total monthly earning comes to about 300 per month. The items of monthly expenditure are as follows :-

- (1) Rice – Rs. 39.
- (2) Atta – Rs. 20.
- (3) Pulses – Rs. 20.
- (4) Mustard oil – Rs. 10.
- (5) Spices – Rs. 5.
- (6) Vegetables – Rs. 30.

BANKING ,TRADE AND COMMERCE.

- (7) Entertainment- Rs. 20.
 - (8) Clothing (average monthly) – Rs.10
 - (9) Fish and meat – Rs.20.
 - (10) Intoxication (including biri, pan, wine,etc.) – Rs.60.
 - (11) Gambling – Rs.30.
 - (12) Transport – Rs.20.
 - (13) Festivals (average monthly) – Rs.15.
 - (14) Cosmetics– Rs.10.
 - (15) Interest of loan taken – Rs.20
 - (16) Miscellaneous – Rs.40.
- Total – Rs.367.

There is no expenditure on items like milk and ghee ,fruits, education and domestic services, etc. It is apparent from the above figures that the family is in debt.

Dhanbad is an industrial district and the non-agricultural population outnumber the agricultural population. About 51 per cent of the total population derive their livelihood from non-agricultural occupations. As there has been no rural urban survey to ascertain the incidence of indebtedness , it is difficult to reach a definite conclusion as to the percentages of people indebt either in rural or urban areas of the district.

Random observation was made to enquire into the reasons responsible for indebtedness, the most important of which are as follows:-

- (1)The low wages prove hardly adequate to support the families of the people of urban and rural areas and to meet their social obligation.
- (2)The migratory character of the workers is also responsible for indebtedness to some extent.
- (3)Marriages, festivals, funerals and other social customs also claim expenditure which prove too much for the meager income.
- (4)The readiness and facility with which the usurious money lenders too eager to take advantage of their miseries and privations advance loan to the workers contribute to increase their indebtedness.
- (5)Irregular employment also in many cases may be responsible for workers' indebtedness .

It may be noted that the vast majority of the industrial workers in the coal industry and other industries in Dhanbad district are unskilled and generally illiterate, ignorant and socially very backward classes of the community who often migrate to coalfields because of

DHANBAD.

Economic pressure. Because of their illiteracy and ignorance, they are easily susceptible to and fall into the hands of unsocial elements who take advantage of their innocence, take a major portion of their hard –earned income by encouraging them to indulge in several kinds of vices. Due to such vices they are forced to borrow and purchase goods on credit from the money –lenders and shop- keepers at exorbitant rates .

(c) on an enquiry from the middle class people it was found that generally their income varies from Rs. 200 to Rs. 500per month . Under this category the family budget of a middle class family, i.e., of an upper division old teacher of D.A.V. Higher secondary school in adult dependent and three children aged about 4, 7 and 10 years respectively. The entire unit of the family comes to four and half . The total monthly income is Rs. 350. The family budget was found to consist of the following of expenditure:-

	Stuff.	Prices in rupees.
1. Rice	24 .50
2. Atta.	14.50
3. Pulse	11.25
4. Vegetables	45.00
5. Mustary oil	11.00
6. Spice	5.00
7. Milk	30.00
8. Suger	10.00
9. Fish and meat	10.00
10. Tea	7.00
11. Fuel	10.00
12. Cloth (average monthly)	30.00
13. Medical expenses (average)	..	15.00
14. Education	15.00
15. Transport (average)	15.00
16. Entertainment (average) including festivals and journeys twice a year		40.00
17. House rent including electricity	<u>50.00</u>
18. Water form bhariwallas	..	<u>10.00</u>
19. Miscellaneous	40.00
	Total	363.25

The above table indicates that the family members do not save any amount rather they live hand to mouth and sometimes they have

BANKING ,TRADE AND COMMERCE.

to take loan from on interest. Credit is often resorted to for purchasing clothes and consumption of goods and repayment is generally made on installment basis.

The standard of living of the people particularly in the vicinity of Dhanbad and Jharia town is worse than that in rural areas. It cannot be denied that the middle class cost of living in Dhanbad region is higher than of Calcutta.

There is an acute dearth of inhabitable rented houses in coal-fields and even if some houses are available, they are on exorbitant rent which is beyond the means of means of a middle class family. Again, in absence of proper water supply in most of the places in the district, cost of water drawn by *bhariwalls* from the neighbouring wells or water taps is sometimes exorbitant from the earning of the family. On the average, a middle class family has to spend from Rs. 10 to Rs. 15 per month for getting water which generally goes up to Rs. 20 per month during summer months .

Secondly people in the urban areas of coalfields have to do a lot of traveling every day because most of them live away form the market, railway station, schools, colleges and hospitals.

Due to transport cost, education, medical facility and entertainments are very costly. Usually the cost of transport to the cinema house and back is more then the value of the cinema ticket in the district. All other services are relatively costlier in coalfield area. The upward movement of the price of the essential commodities does not show any decline. The cumulative consequence of all this has been that the material condition of the middle class people has deteriorated considerably.

In the present Welfare state the incidence of taxation has got to go on increasing and there will be more of rise in expenditure over fooding, clothing , educational and medical expenses, etc. The state is bound to impose more and more taxes to provide for the development projects and to firmly set up Socialistic stats. Unless the structure of the family budget is radically changed there may be much more of indebtedness in the district.

It may also be noted that the district has also a number of persons of upper middle class or upper class whose income is Rs. 500 and above with a comfortable economic condition . such persons are usually businessmen ,colliery owners, top doctors and highly paid Government servants. The standard of living of the upper class people with higher income in the urban areas is high. These persons are not suffering from any of indebtedness.

Under this category the family budget of an Assistant Public Relation Officer at Maithon was taken.

The average numbers of the family members of the assistant public Relation Officer who is 5-husband , wife, one child of 1½ year of age and two servants. The entire unit of the family come to 4½ . the husband and wife are the earning members.

DHANBAD.

The husband of the Assistant public Relations Officer is a second colliery manager and his earning is Rs. 500 per month . the Assistant Public Relations Office also draws Rs. 500 as salary per month. Hence the total income comes to Rs.1000 per month. The family budget was found to consist of the following items of expenditure:-

(1) Rice	Rs. 30.00
(2) Atta	Rs. 10.00
(3)Pulses	Rs. 10.00
(4)Mustard	Rs. 11.00
(5) Vegetables	Rs. 35.00
(6) Fish, meat and eggs	Rs. 60.00
(7) Milk	Rs. 65.00
(8) Entertainment	Rs. 20.00
(9) Cosmetics	Rs. 30.00
(10) Transport	Rs. 30.00
(11) House rent including electric charge	Rs. 65.00
(12) Payment to servants	Rs. 100.00
(13) Coal	Rs. 20.00
(14) Washer man	Rs. 25.00
(15) Sugar	Rs. 10.00
(16) Ghee	Rs. 20.00
(17) Drinking and smoking	Rs. 25.00
(18) Cloth	Rs. 60.00
(19) Insurance (life Insurance only)	Rs. 180.00
(20) Miscellaneous	Rs. 50.00
(21) Spices	<u>Rs. 10.00</u>
Total	Rs. 865.00

The above figures indicate that they save some money out of their income and they are not in debt. Besides Insurance, they have a about one hundred rupees per month.

Taking all the points mentioned above into consideration it may be noted that in spite of the general indebtedness of the average man there may be a fair margin of savings but we have not got sufficient data to calculate the annual savings in the different sectors in the district. There has been an increase in bank deposits and life Insurances. etc.

Regarding usury it may be said that this has been controlled to some extent by legislation but not totally. It is, however, correct to think the recent changes in the legislation and the provision .

BANKING ,TRADE AND COMMERCE.

of more credit faction have had their contribution and the Afghan money-lenders who used to visit the village and the towns every winter have been very prominent in the last one decade or so.

CO-OERATIVE CREDIT SOCCIETIES AND BANK

Before the adoption of the recommendation of the Rural Credit survey committee, the Co-operative, the Movement was treated more as a non-official and little Governmental assistance was given. The departmental officers had only the power to inspect the societies and to suggest remedies for improvement. But after the adoption of the recommendations of the Rural Credit Survey Committee in 1958, the Co-operative Movement took a different form. Government began to give aid in the shape of contribution of share capital in the primary and apex institution and also managerial assistance/ since then the number of societies, their membership and share capital have shown a marked increase.

The following figures supplied by Co-operative Department will show the number, affiliated and non-affiliated of different types of Co-operative Societies in the district :-

Types of Societies	Sadar subdivision			Baghmara Subdivision		
	Affiliated Total Affiliated		Non-	Affiliate Affiliated	Non-	Total
1	2	3	4	5	6	7
1. Multipurpose Co-operative Societies.	118	27	145	109	27	136
2. Large-sized Co-operative Societies.	4	..	4	3	..	3
3. Vyapar Mandal Co-operative Societies.	4	..	4	2	..	2
4. Credit Co-operative Societies.	38	54	92	10	17	27
5. Consumers' Co-operative Societies.	12	28	40	6	8	14
6. Tercher's Co-operative Societies.	1	5	6	..	3	3
7. Urban Co-operative Societies.	3	2	5	..	..	..
8. Joint Farming Co-operative Societies.	..	..	..	4	..	4
9. Labour Co-operative Societies.	..	..	..	2	..	2
10. Harijan Co-operative Societies.	3	..	3	1	..	1

DHANBAD.

Types of Societies	Sadar subdivision			Baghmara Subdivision		
	Affiliated	Non-	Total	Affiliated	Non-	Total
	Affiliated	Affiliated	Affiliated	Affiliated	Affiliated	Affiliated
11. Housing Co-operative Societies.	2	..	2	..	..	..
12. Weavers' Co-operative Societies	5	1	6	6	6	12
13. Forest Co-operative Societies	..	1	1	..	..	..
14. Fisherman's Co-operative Societies	2	1	3	1	1	2
15. Sarbodaya Co-operative Societies	1	..	1	..	..	..
16. Dairy Co-operative Societies	3	..	3	..	..	..
17. Oilmen's Co-operative Societies	4	3	7	2	1	3
18. Charmakar Co-operative Societies	2	1	3	3	4	7
19. Basket making Co-operative Societies	3	2	5	2	..	2
20. Dhankutai Co-operative Societies	2	..	2	1	..	1
21. Ambarcharkha Co-operative Societies	1	..	1	..	..	..
22. Lohakar Co-operative Societies	4	..	4	1	1	2
23. Kumbhar Co-operative Societies	3	..	3	..	..	..
24. Brist Co-operative Societies	1	..	1	..	..	..
25. Silk-rear Co-operative Societies	1	3	3	..	..	..
26. Carpenter Co-operative Societies	..	..	..	1	..	1
27. Mahila Udyog Co-operative Societies	1	..	1	1	..	1
28. Palmgur Co-operative Societies	1	2	3	..	..	..
29. Nawar Co-operative Societies	..	..	..	1	..	1
30. Soap marking Co-operative Societies	2	1	3	..	..	..
31. Tailoring Co-operative Societies	..	1	1	1	..	1

BANKING ,TRADE AND COMMERCE.

The following figure will show progress of the Co-operative movement in Dhanbad district form 1961 to 1962. :---

Types of Societies	Year	Nu mb er	Mem ber	Paid-up capital	Reserve fund	Owned fund	Deposit.	Loans.	Working capital	Lone out standing at the beginning
1	2	3	4	5	6	7	8	9	10	11
1. Center Co-operative Bank ,Ltd.	1961	1	370	2,52,695	59,747	3,12,442	13,02,488	68,986	16,83,916	3,77,186
	1962	1	409	2,56,094	59,826	3,15,920	15,33,207	65,033	19,14,160	3,87,189
2. Agricultural Multipurpose Co-operative societies other than large-sized Co-operative Societies.	1961	213	10,360	99,375	41,128	1,40,503	12,843	3,29,166	4,82,642	3,61,481
	1962	227	11,204	1,25,765	47,809	60,574	32,350	5,02,575	7,08,439	5,54,595
3. Marketing Societies other than new3 prince marketing societies orrganiesed under the plan .	1961	4	103	88,501	5,001	93,502	..	56,982	1,50,434	9,711
	1962	6	148	1,04,710	19,476	1,24,186	..	1,03,267	2,32,453	7,951
4. Large-sized Co-operative societies	1961	7	1,134	50,089	5,357	55,446	446	57,889	1,13,781	36,386
	1962	7	1,358	53,422	13,160	66,582	282	66,438	1,33,302	33,936
5. Consumer's stores	1961	17	3,165	51,309	33,012	84,321	20,093	18,979	1,23,393	..
	1962	18	3,322	54,547	1,212	55,839	9,089	15,517	1,04,711	9,640
6. Urban Co-operative Societies	1961	35	7,345	3,90,691	88,541	4,79,232	13,70,832	14,923	18,64,987	..
	1962	50	8,650	4,83,598	1,04,114	5,87,712	8,85,280	19,1751	14,92,167	11,27,616

DHANBAD

1	2	3	4	5	6	7	8	9	10	11
7. 11. Housing Co-operative Societies.	1961	2	258	5,455	111	5,566	..	24	5,590	..
	1962	2	258	5,455	111	5,566	..	24	5,590	..
8. Weavers' Co-operative Societies	1961	11	720	5,387	246	5,633	6,234	29,808	41,675	1,199
	1962	11	684	4,134	224	4,538	5,483	21,182	31,203	1,271
9. Milkman's Co-operative Societies	1961	3	189	4,695	3,790	8,191	..	6,552	14,743	2,408
	1962	..	..	..	..	..	..	..	..	..
1. Other Industrial Co-operative Societies	1961	22	329	6,855	1,134	7929	..	18,842	20,597	..
	1962	35	716	7,808	1,372	9,180	1,036	28,873	42,678	15,315
11. Fisherman's Co-operative Societies	1961	3	87	392	..	392	..	..	392	..
	1962	3	87	392	..	392	..	..	392	..
12. Teacher's Co-operative Societies.	1961	1	11	975	..	..	..	..	975	..
	1962	1	11	975	..	..	..	..	975	..

BANKING ,TRADE AND COMMERCE.

The following figures will throw considerable light on the work and progress of the Co-operative Societies, Multipurpose Co-operative Societies, Co-oprative in the district of Dhanbad :-

Name of the community	No. of Societies		No. of Members		Loans paid during the year to individuals.		Loans repaid during the year to individuals		Loans due at the end the year	
	1961	1962	1961	1962	1961	1962	1961	1962	1961	1962
Development Block.										
1	2	3	4	5	6	7	8	9	10	11
1.Dhanbad Bolck	76	93	11,150	12,572	5,480	50,381	21,723	22,004	13,029	41,406
2.Gobindpur Bolck	62	63	2,158	2,375	20,183	53,027	27,343	68,447	58,308	42,888
3.Nirsa Bolck	4	47	4,395	5,024	59,062	90,342	47,657	38,335	37,174	89,181
4. Tundi Bolck	31	36	1,350	1,500	36,446	52,562	27,205	47,799	47,113	51,875
5. Topchanchi Bolck	42	42	2,021	2,025	20,763	62,442	20,567	79,146	75,158	58,458
6.Chas Bolck	44	47	2,687	2,910	38,953	2,32,536	38,599	93,598	61,698	2,00,635
7.Chandankia ry Bolck	40	41	2,126	2,205	31,060	28,895	16,749	58,672	52,331	22,544
8.Balliapur Bolck	..	10	..	424	..	6,100	..	..	..	6,100

DHANBAD.

Joint Farming Co-operative Societies.

Joint Farming Co-operative Societies are a new venture . During the third Five-Year plan the target for this district in 20 for the whole period. Till 1962 only four Joint Farming Co-operative Societies in Baghmara subdivision with 184 member and share capital of Rs.2,240 have been organized . They are at an initial stage and not much can said about them without an appraisal.

Central Co-operative Bank

The Central Co-operative Bank is the pivot of Co-operative banking and credit. All the co-operative societies will be affiliated to it for the purpose of supervision, guidance and credit facility. This bank encourages intuitional pattern of credit and does not extend any credit to individual person direct. It extent finance only to co-operative institution which in turn pass on the same to their member. This bank was established in 1923 at Dhanbad .

The following table will indicate the volume of credit facilities extended to the co-operative during 1956-57 to 1961-62 by this bank:-

Year	Amount of loans Advanced in Rupees.	Total demand In rupees	Total collection In rupees
1956-57	1,05,288	89,292	33,412
1957-58	1,38,651	1,32,707	34,992
1958-59	1,60,687	2,30,483	1,07,211
1959-60	1,85,311	3,75,799	1,53,420
1960-61	2,40,482	4,35,015	2,23,456
1962-62	5,77,286	4,45,207	4,14,917

The main activity of center co-operative Bank is to provide agricultural séance to the affiliated co-operative societies which in their turn finance their agriculturist member and give short –term and medium-term lone for productive purposes. Short-term longs are advanced to agriculturist member to meet their current production need such as seeds, manures etc. There long are made available to them at short notice and are repaid within nine to twelve months. Medium-term are advanced for purchase of livestock, agricultural implements, etc, for a period of three to five year. The rate of interest on all kind of long was 6¼ percent per annum from the ultimate borrower, i.e., the cultivations but from January 1961 itb has been raised to 7½ percent. Loans are advanced on the security of landed properties of the member but such securities are not required for loans below Rs. 200. Personal securities are taken in all cases. Loans are also available from the co-operative societies to its non-agriculturist member such as artisans up to Rs 100 as working capital .

BANKING ,TRADE AND COMMERCE.

The following figure supplied by Co-operative Department will show the present of center Co-operative Bank pf the District :-

Period	1956	1957	1958	1959	1960	1961	1962
1	2	3	4	5	6	7	8
1.Paid –up share capital	15,584	26,554	42,199	1,47,499	1,51,349	2,52,695	2,64,774
2.Reserver Fund and other funds	3,720	49,068	49,260	49,302	49,356	59,748	61,998
3.Borrord capital	3,56,481	4,54,477	7,07,239	9,64,483	11,40,672	13,71,475	19,88,785
4.Working capital	3,75,785	5,30,099	7,98,638	11,61,284	13,41,377	16,83,918	23,15,557
5.loans iutstanding at the elose of the year.	1,16,315	1,89,620	2,91,720	3,45,779	3,83,627	3,87,089	7,46,266

DHANBAD.

BANKING TRADE AND COMMERCE

The statement below shows the Banking Offices in Dhanbad district other than the Co-operative Banks in 1962:-

Location.	Name with year of Establishment.	Nature of offices.
1.Dhanbad	1.State Bank of India (1924)	Branch office.
	2.United Bank of India (1945)	Ditto.
	3.United Commercial Bank, Ltd. (1961).	Ditto.
2.Jharia	1.State Bank of India (1952)	Pay Office.
	2.Central Bank of India (1959)	Branch Office.
	3.Punjab National Bank , Ltd. (1948)	Ditto.
	4.Bank of Bihar , Ltd. (1935) ..	Ditto.
	5.Virgi and Company Bankers (1940)	Head Office.
	6.Jharia Industrial Bank (1945)	Ditto.
3.Katrasgarh	1.Virgi and Company Bankers (1940)	Branch Office.
	2.Bank of Bihar, Ltd. (1935) ..	Ditto.

In April , 1958 "The Chotanagpur Banking Association, Ltd." went into liquidation.

These banks as usual collect the saving of the public, give loans on reasonable security and undertake the other monetary transactions as the agent of the customers in collecting and paying cheques, bills and dividends ,etc Many of the banks act as the custodians of the valuable documents and jewellery of the customers and issue various forms of easily negotiable credit instruments.

Hundi business is still continuing and is generally confined to business in food-grains and clothes.

Colliery remittance business is done by State Bank of India at Dhanbad by discounting cheques and bills at Calcutta and other places. The remittance is usually sent to the collieries in terms of cash indents of various collieries to meet their weekly requirements of account of labour payments, etc.

The Dhanbad branch of the state Bank of India, the Banker' Bank is a continuation of the branch of the old Imperial Bank which was opened in 1924.the branch of the State Bank of India which took over the branch of the Imperial Bank was established in 1955. All the branches of this bank ion the district undertake.

BNKING TRADE AND COMMERCE.

All commercial banking transactions as agents of the Reserve Bank of India, conduct the government cash work, provide remittance facilities to banks, extend, exchange and remittance facilities to the public and pay, receive, collect and remit money and securities on Government account, etc.

From the 9th October, 1961, a full-fledged Public Debt Office with safe custody has started functioning in Patna. This Public Debt Office has taken over from the Public Debt office of Calcutta under the Reserve Bank of India, the management of all Central and State Government loans, the interest of which is payable at places within the State of Bihar.

SAVINGS IN THE DISTRICT.

With the expansion of Life Insurance in rural areas in recent years the rural population the district is getting slightly insurance minded. These insured persons through payment of premiums make some savings. The average cultivator with small holding or the landless laborers have no savings. As for the big cultivators they have a margin to save and normally make investments in buying gold ornaments or in advancing loans. The ex-landlords of rural areas have now learnt to put the savings in the banks.

In urban areas the service-holders under the Government, local bodies, firms or traders and artisans have not got much margin to save unless they belong to a high income-group or have other personal sources of income like lands, house-rents, etc. the condition of the lawyers and doctors unless they have gone up high is not very enviable now. With the abolition of *zamindari*, establishment of *Gram Panchayats* and the lowering of the economic level of the common man, the lawyers have lost most of their income. The doctors too have lost much of their private practice in most cases. The opening of the blocks with doctors is a reason. The lower middle classes have practically no means of savings. The servant classes are now better off than before but the margin of saving is very small for them also. But the big traders and merchants have the capacity to save and they do save.

PROVIDENT FUND.

Under the scheme of provident fund, permanent employees contribute a percentage of their pay to this fund. The employer also contributes an equal amount towards the provident fund account of the employee. The contribution is a kind of compulsory savings by the employee.

Holders of pensionable Government posts are allowed to contribute a certain percentage of their pay to the provident fund but the employer, viz., government does not contribute anything towards it.

The contributor is entitled to take loan from the provident fund on occasions provided in the rules. The loan is repaid in installments.

DHANBAD.

SMALL SAVINGS .

Small savings of the man of limited means have a great importance and the banks willingly accept small deposits. The State Government and Central Government have agencies to absorb such small saving. The State Government float loans from time to time. The Post Offices have their savings departments.

In 1961-62 there were 48 Post Offices with savings bank facilities in the district. This includes a head office at Dhanbad and six branches and 41 sub-post Offices.

The following statement supplied by Postal Department will give the statistics of the amount deposited and with drawn in savings Banks during 1957-58 to 1961-62:-

Year.	Amount deposited in rupees.	Amount withdrawn in rupees.
1957-58 ..	97,29,039.01	77,04,375.52
1958-59	1,25,35,782.82	8,70,616.89
1959-60	1,23,31,238.42	1,02,57,104.29
1960-61	1,37,77,909.52	1,87,26,092.17
1961-62	1,49,88,238.53	1,14,98,250.73

The figures show that the response of the public has not been very encouraging. In the rural areas the want of response may be due to the difficulty of keeping a paper-bound savings bank account book properly in a thatched hut. Prompt disbursals are not always made because the Post Office has to verify the signature which may differ. Somehow the average villager has not got much confidence in the local postal savings bank.

Any citizen who can spare even so small an amount of Rs.5.00 can open a Post Office savings bank account at any Post Office which does saving bank work. The maximum limit of investment is Rs.15000.00 for an individual and Rs.30,000.00 for a joint account of two individuals. All local authorities and co-operative societies and non-profit making institutions can also open accounts with these banks which are called public accounts. For opening a public account there is no limit to deposit.

Interest on individual and joint accounts is allowed at the rate of 2 ½ per cent for the first Rs. 10,000.00 and 2 per cent on the balance in excess of Rs.10,000.00. on public accounts interest is allowed at 2 percent (interest is calculated for each calendar month). The interest earned on these investments is free of income-tax and super tax.

NATIONAL SAVINGS SCHEME.

The beginning of government mobilization of small savings in India could be traced to World War I (1914-18) when the then Government issued Postal Cash Certificates of 5 years', 7 years' and

BANKING, TRADE AND COMMERCE.

10 years' duration. They were sold at a discount and repaid at par after the completion of the maturity period. They were discontinued a few years after the war.

During World War II (1939-43), the issue of such certificates was again introduced and even after the war they are being continued in a more intensive form because small savings from a large number of people can become a substantial item in the capital resources that are required for carrying out the Nation's Five-Year Plans.

The following categories of investment have been classified as small savings investment since 1957:-

- (1) Twelve-Year National Plan Savings Certificates issued in denominations of a minimum of Rs. 5.00 and maximum of Rs. 5,000.00 and yielding interest at 5.41 per cent .
- (2) Ten –Year Treasury Savings Deposit Certificates issued in denomination of Rs.50.00 and Rs. 100.00 and yielding interest at 4 per cent per annum which is paid every year.
- (3) Fifteen –Year Annuity Certificates whereby accumulated savings can be invested as a lump sum and received back in monthly installments for a period of 15 years, the rate of interest being about 4 ½ per cent per month compound.

The investments under the different categories of these of these schemes in the district of Dhanbad for the last four years (1958-59 to 1961-62) are as follows:-

Year.	Gross investment.	Withdrawal.	Net Investment.
1958-59	2.48 crores	98 lacs	1crore 50 lacs.
1959-60	2.98 crores	1.13 crores	1 crore 85 lacs.
1960-61	2.92 crores	1.18crores	1 crore 74 lacs.
1961-62	3.70 crores	1.39 crores	2 crore 31 lacs.

As an inducement to savings the Central Government have started since Ist April, 1960, a scheme of 5 years' interest free Prize Bonds eligible for participating in drawings quarterly each year till 31st March, 1965.these bonds are of two denominations, one of Rs. 5 and the other of Rs. 100.the attractive feature of the bonds is that at each draw prizes are available ranging from Rs. 50 to Rs. 7,500 for five – rupee bonds and rs.500 to Rs. 25,000 for 100 rupee bonds that win the draw. The investor is repaid for his investment while there is a chance for him to win a prize as well.

NATIONAL DEFENCE CERTIFICATES AND DEFENCE DEPOSIT CERTIFICATES.

Government of India have announced the following certificates to enable every citizen to invest his savings for the National Defense since November, 1962. This scheme was sponsored particularly because of the Chinese aggression since October, 1962.

National Defense Certificates- The certificates are available at all Post Offices transacting savings bank business.

The certificates are in denominations of Rs.5, Rs.10, Rs. 50, Rs. 100, Rs. 500, Rs. 1,000, Rs. 5,000 and Rs. 25,000.

on maturity at the end of 12 years, the certificates will be

repaid at a premium of 75 per cent of the issue price, yielding a return of 6.25 per cent per annum single or 4.75 per cent per annum compound :a certificate of Rs. 100 would fetch Rs. 175 at the end of 12 years. The interest is free of income- tax. There is a slab also if the money is withdrawn earlier.

Defense Deposit Certificates- deposits for the purchase of these certificates are accepted at all offices of the Reserve Bank of India, branches of State Bank of India and its subsidiaries, conducting Government treasury business and at treasuries and sub-treasuries. The interest is payable annually at 4 ½ percent annum. It is free of income –tax.

The certificates are issued in denomination of Rs. 50 and its multiples.

The amount is returned at the end of 10 years from the date of deposit. A certificate may be encashed at any time after the expiry of one year from the date of issue .

GENERAL AND LIFE INSURANCE.

Life insurance is a well –recognised and very useful mode of saving and safeguarding against possible risks of life.

Before the life Insurance corporation was formed in 1965, there was agent of a number of life insurance Companies like Oriental, New Asiatic, Industrial and Prudential, General Assurance, Palladium , United India , Bharat Insurance, National Insurance, Ruby General of India, Bombay Life Life Insurance, Metropolitan Insurance Company, etc. working in Dhanbad district.

Some of the Life Insurance Companies were doing excellent business while a few other were confined to very limited business. It may be noted that none of the Life Insurance Companies mentioned above had their managing directorship in Bihar.

These companies worked through a chain of agents. The agents were, however, more confined to the urban areas. The agents gave good service to their clients.

BANKING, TRADE AND COMMERCE.

With the nationalization of Life Insurance business, the Life Insurance Corporation of India became the largest single agency doing Life Insurance business in India. The Corporation was constituted under the Life Insurance Corporation Act of 1956 and was officially established on 1st September 1956 by the Government of India. From this date all Indian Life Insurance and Provident fund societies as also all foreign Life Insurance Companies ceased to carry on Life Insurance business in India, and all their business was taken over by the Life Insurance Corporation. As the security of the policy money was guaranteed by the Central Government the interests of the insured persons were safe.

General Insurance work includes fire , marine, accident, theft, burglary, motor vehicles, etc., has been left open to the concerns in the private sector. Some of the former Life Insurance Companies and Societies have now switched over to General Insurance business. Some of the previous Life Insurance Companies have closed down.

Since 1st September 1956 the Corporation has a branch office in the district of Dhanbad with two development centers at Katras and Chirkunda and there is a sub-office at Sindri under Jamshedpur Division in the Eastern Zone. The Sindri sub-office was started in March, 1959 and the Katras and Chirkunda Development centers in 1961 and 1962 respectively. The Sindri sub-office has been functioning as a branch office directly under Jamshedpur Division. There is an Assistant Branch Manager (Development) at Sindri. The Katras and Chirkunda Development centers are under Dhanbad branch with an Assistant Branch Manager (Development). There are a number of Field Officers in the area who have an area in their charge and work through the appointed agents distributed over the villages. These village agents secure business through direct contact with the people. These agents about 1,000 in number are on commission basis.

Life Insurance business has been expanding as shown by the figures given below for the years 1956 to 1961. The figures below include the figures of Sindri sub-office as well:-

Year.	Proposals introduced.		Proposals completed.	
	Number.	Amount.	Number.	Amount.
1957	Not available	1,84,000	Not available	167,000
1958	5,162	2,42,00,000	4,918	2,30,00,000
1959	5,919	2,75,28,000	5,352	2,48,15,750
1960	75,750	3,41,44,750	6,587	3,18,36,250
1961	7,112	3,14,09,350	6,609	1,29,83,500

General Insurance includes the insurance of god owns , money in transit, goods in transit, fidelity guarantee, personal accident, fire, etc. General Insurance work may be divided into three categories---(1) Miscellaneous accidents in which motor cars, trucks,

DHANBAD.

Buses ,taxis , motor cycles, burglary, etc, are included; (2) Fire including riot, risks, etc., usually covering propertied, houses, god owns, workshops, factories, etc., and (3) Accidents due to which goods may not arrive intact whilst in transit form one centre to another. Motor cars and trucks are insured compulsorily against third party risks.

There are three subsidiaries of Life Insurance Corporation of India, viz., Oriental Fire , National fire and Asiatic Government security. The Oriental Fire, National Fire and Asiatic Government security have merged into one Company which is known as Oriental Fire and General Insurance. Companies like New India General, Hindustan General, Ruby United India Fire and General, South India Insurance Company, Commonwealth Insurance Company and New Great Insurance Company are also doing business on this line .

Dhanbad being an industrialized area offers a good field for General Insurance work. But there has not been any adequate work more because of conservatism among those who should take out such policies. God owns as a class are not insured against burglary or fire. Consignments of big valuations are often sent without any insurance. So far as households are concerned very few house owners take out a policy for fire or destruction through other agencies. Household effects are seldom insured against theft or fire. Excepting the third party risk insurance for a motor car which is a statutory obligation there is not a regular practice to take out insurance policies for valuable possessions. The figures of General Insurance work in the recent years were not available.

STATE ASSISTANCE TO INDUSTRIAL DEVELOPMENT.

Under the Bihar State Aid to Industries Act, 1956,. Government grants loan and other technical help to persons carrying on or intending to start industries. This aid is calculated to give encouragement to the growth of small- scale and cottage industries. A list of these industries supplied buy Industries Department is given in the table below showing the kinds and number of industries started and the amount of aid given to them. No field check was done whether the money has been properly utilized or not.

Name of industry.	Number of units aided and amount advanced .					
	1959-60		1960-61		1961-62	
	Units.	Amount in rupess	Unit	Amount in rupees	Unit	Amount in rupess
1.Engineering works and products.	5	22,675	5	28,040	7	21,390
Name of industry.	Number of units aided and amount advanced .					
	1959-60		1960-61		1961-62	
	Units.	Amount in rupess	Unit	Amount in rupees	Unit	Amount in rupess
2.Printing Press	Nil	Nil	Nil	Nil	4	15,069

BANKING TRADE AND COMMERCE.

1	2	3	4	5	6	7
3.Carpentry	2	4,325	5	18,100	10	18,282
Blacksmithy	3	950	4	7,150	3	800
5. Tailoring	6	6,278	7	7,682	11	3,672
6.Leather Products	3	3,608	9	12,000	8	5,175
7.Tile Making	Nil	Nil	1	5,000	Nil	Nil

Course Of Trade

Dhanbad district has santhal paraganas to the north, the district of Burdwan in West Bangle to the east, the purulia district in West Bangle to the south and district of Hazaribag to the west. The district is well served by railways and roadways. The district is easily connected with Calcutta, Jamshedpure, Patna, Kanpure, and Delhi.

Regarding Trade H. Copland in the last District Gazetteer of Manbhum(1911) mentions as follows:-

“Coal is of course the most important article of export, followed closed in point of value by lac, a long way behind these both in quantity and value come rice ,paddy,gram and various pulses, in all of which, however, a comparison of the figure for last two quinquennial period (ending March 1905 and 1910 respectively) there is a tendency to decline, due largely no doubt to the rapidly increasing industrial population of the coalfield area, and the diminishing area available there fore cultivation. The extant of the lac importance to the district may be inferred from the fact that, taking the lowest computation, the value of lac exported in 1909 was approximately 40 to 50 lakhs of rupees as compared with 150 lakhs for coal and 3 lakhs for all kinds of food- grains. The chief imports are food- grains, namely, rice and pulses, sugar, refined goods, and unrefined, salt, English and Indian cotton piece good, and Indian cotton- twist, tobacco and kerosene oil. The bulk of the export go to the Calcutta, through coal in large quantities goes to Bombay, the United provinces and other provinces, and a considerable quantities of raw lac to Mirzapure. Bihar and Burdwan take the bulk of the exports of rice, and Ranchi and Singbhum the various pulses. Of the imports the bulk of the rice comes from Burdwan, Bankura, Singbhum and Sambalpure, and of gram and pulses from

DHANBAD.

the Bihar district and Ranchi, Burdhan and Bihar share in providing most of the raw sugar and tobacco; oilseeds come principally from the districts of the Bihar and other districts of Chhota Nagpur; raw lac in considerable quantity comes from Ranchi and Singhbhum and the bulk of the remainder of the imports comes direct from Calcutta. The chief centers of the trade are the towns of Purulia and Jhalda, Dhanbad, Katras and Chirkunda in the north of the district, Balarampur and Chandil in the south, all on the line of railway, and Manbazar and Barabazar in the east and southeast.

“The Dhanbad subdivision is particularly well served by railway, the Purulia subdivision not so well, but the Asansol-Sini line intersects it from north-east to south west almost centrally, and the western half is again intersected since 1908 by the Purulia- Ranchi line ; the Khargapur-Gomoh branch cuts across the northeastern corner and connects up the rest of the area with both Calcutta and the coalfield. Communications by road are on the whole good; passable fair-weather roads connect all parts of the district with one or more railway stations, and the main routes are metal led with either stones or gravel. The one existing drawback which hampers trade at all times and periodically stops through communication in the rains is the large number of unabridged rivers and streams. Outside the places mentioned there are comparatively few permanent. Markets, and the bulk of the ordinary trade of the district is carried on by means of the weekly *hats*, many of which are held at places more or less intermediate between the distributing center and the rural areas which they serve. In the wilder parts of the district pack- bullocks are regularly used as the only suitable means of conveyance and the traveling purveyor of Manchester cloth and other village requirements or luxuries is no uncommon sight. For the purchase of the products of the rural areas agents are sent out from the Chief center to the villages articles as grain, oilseed hides, etc., for export, are thus bought locally; lac and other forest produce is usually brought into the larger *hats* and to the places of manufacture. Inter- district traffic by road with the southern and western portion of Ranchi is considerable, Chandil being the main distribution and collecting center and a great part of the produce of the south-eastern corner of the district finds its way to

BANKING TRADE AND COMMERCE.

various station on the Bengal- Nagpur Railway in the Singhbhum district. In the west Jhalda, which is now connected by a good road with Gola, does a large amount of trade with the south-eastern portion of Hazaribagh; in the extreme north there is a considerable inter-district traffic between Tundi and the Santhal parganas, gram and straw from which as well as timber from palganj in Hazaribagh find their way in large quantities to the coalfield by road.”*

It was also mentioned: “The collieries are served by a network of loops, branches, and sidings taking off from the main lines of both the Bengal- Nagpur and East Indian systems, and the inter-connection of the two systems at Gomoh, Katrasgrah and Jharia makes it possible for the colliery proprietor to dispatch his coal to any part of India by the most convenient route.”

The development of means of communication since H. Coup-land’s times has had a great impact on trade commerce of the district. There are now hundreds of passenger buses and carrier trucks running within the district and connecting the district with other parts of the State and other neighboring States. The traditional bullock- carts have not been eliminated but the number has considerably increased. Primary trade in the rural areas that are the source of agricultural produce is still in the hands of *Vyaparis* and village *Banias*. *Vyaparis* buy the grains and other commodities from the growers at their villages or at a *hatia* which is a more central place where the commodities are brought by the villagers either on carts or the turnover of certain types of commodities. The primary source cultivator has no means to hold back the grains nor are there handy storage facilities. Public carrier trucks or privately owned trucks call at such of the *hats* which are situated on motorable roads and *Vyaparis* coming in these trucks up the vegetable, ghee, grains, sheep, goats, etc.

In Dhanbad the business community comprises of Agrwals, Cutchhies, Bhaties, Agraharies, Muslims and the Baines.

TRADING POPULATION

As regards the numbers of employed in commerce, the census report of 1951 mentions that in Dhanbad district, out of a population of 7,31,700 about 17,150 people are engaged in commerce. The bulk of them, i.e. , 10,049 are living in urban areas 7,101 in rural areas.

* Extract from *the old Gazetteer of Manbhum*, pp. 167-168.

+ Extract from the old *Gazetteer of Manbhum*, p. 185.

DHANBAD.

The table below show the number of person engaged in different kinds of commerce:-

The table below shows the number of person engaged in different kinds of commerce*-

Name of business	Number of persons		
	Males.	Female s.	Total.
1. Retail trade in food-stuffs	6,753	1,447	8,200
2. Retail trade in fuel(including petrol)	402	15	417
3. Retail trade otherwise unclassified	6,403	853	7,256
4. Retail trade in textile and leather good	782	107	889
5. Wholesale trade in food-stuffs	154	..	154
6. Wholesale trade in commodities other then food-stuffs	2	..	2
7. Money- lending, banking and other financial business.	186	2	188
Grant Total	14,682	2,424	17,106

IMPORT AND EXPORT.

The commodities entering in the internal trade include food- grains salt spices, cotton, woolen cloth, kerosene oil *vanaspati* oil, petrol, vegetables, cosmetics and other luxury goods, cycles, radios, crockery's, suitcases and mustard oil, etc. The commodities that enter into the external trade include coal, cement, firebricks fireclay hides, iron and steel, fertilizers and coal tar.

The statement below indicates some of the main centers and areas of import and export:-

IMPORT	
Commodities	From where imported
1. cotton piece goods	Kanpure, Bhagalpure, Bombay, Calcutta, Ahamedabad, Indore, and Wadibunder
2. Salt	Calcutta , Kulti and Tuticorin.
3. Iron and steel	Tatanagar, Kulti, and Calcutta.
4. Grains and pulses	Kanpur, Agra, Cantt, Hapur and a number of places in Uttar Pradesh, Assam and Madhya Pradesh.
5. Wheat	Punjab and Shshabad district in Bihar.

* Extract from District Census Handbook, Dhanbad, 1954, pages 37 to 40.

BANKING TRADE AND COMMERCE.

Commodities	From where imported
6. Kerosene oil	Budge Budge.
7. Petrol	Ditto.
8. lime	Jabbalpur.
9. Vegetables	Ranchi, Jamshedpur, Gaya, Patna, (all in Bihar)
10. Mustarad oil	Patna and Gaya(all in Bihar)
11. Shoes	Kanpur, Agra, Delhi and Calcutta.
12. Fish	Calcutta
13. Sugar	Dalmianagar and Bihata (Bihar)
14. Tobacco	Gaya and Darbhanga
15. chillies	Patna

EXPORT.

Places	Commodities.	Destination of export
1. Dhanbad	Coal, hides, marble, and stone, oil fuel, other mineral oils and gunnies.	Calcutta, Patna, Delhi and Uttar Pradesh.
2. Kumardhubi	Iron and steel, fireclay and firebricks.	All over Bihar, Calcutta, Assam, Delhi and Uttar Pradesh.
3. Katras	Coal and hides and skins.	All over Bihar, Calcutta and Delhi.
4. Jharia	Firebricks, coal and marble and stone.	All over Bihar, Calcutta and Delhi.
5. Patherdih	Coal and hides and skins	Calcutta, Uttar Pradesh and all over Bihar.
6. Lodna	Coal tar	All over Bihar, Calcutta, Madhya Pradesh, Delhi and Uttar Pradesh.
7. Sindri	Cement and sulphate of ammonia.	All over Bihar, Calcutta, Delhi, Uttar Pradesh and Madhya Pradesh.

The movement of the commodities in the above statement is done mostly by railways. Recently, however, fast moving trucks had been playing an important role in moving goods both to and from the district with the construction of the National Highway from

DHANBAD.

West Bengal and the development of a number of roads under the Five- Year plans, the number of trucks operating through Dhanbad will be on the increase. Trucks are mainly employed for keeping up trade contacts with Dhanbad and Ranchi, Patna, Hazaribag, Culcutta and Santhal parganas. Trucks are also largely used for sending stuff to Delhi. Trucks are now (1962) very largely used for movement of coal to Assam, Bengal and Uttar Pradesh because of wagon difficulties.

Certain commodities like petroleum, Kerosene oil, cloth, grains, spices, etc., are both imported and exported. This means that the big merchants of the District act as the agent and they import the goods and also dispatch them to various other place to their retailers.

The following statistics of the volume of goods traffics at Dhanbad, Kumardhubi, katras, Jharia, Pathardih, Lodna and Sindri Railway station in 1961-62 have been collected from the Railway authorities :-

Commodities	Export in In tons.	Commodities
		Sindri
1.Sulphets and ammonia.	20,819,523	Commoditywise figures of imports were not available at Sindri Station
2. A.C.C cement	895,752	The Railway authorities could only mention that there was a total quantity of 27,469 tons of article import to Sindri station.
		Lodna
1. Coaltar	1,830,420	Commoditywise figures of imports were not available at Lodna Station. It was gathered that a total quantity of 67,803 tons of articles was imported to Lodna station.
		Kumardhubi
1. Iron and Steel	2,086,422	Commodities figures of imports were not available at Kumardhubi Station. It was gathered that a total quantities of 126,529 tons of articles was imported to Kumardhubi station.

BANKING TRADE AND COMMERCE.

Commodities	Export in In tons.	Commodities
		Jharia
1. Coal		Commoditywise figures of imports were not available at Jharia Railway Station. It was gathered that a total quantities of 96,435 tons of articles was imported to Jharia station.
2. Firebricks	30,325	

Commodities	Export in In tons.	Commodities
		Katras Railway Station
1. Coal		Commoditywise figures of imports were not available at Katras Station. It was gathered that a total quantities of 19,526 tons of articles was imported at the station.
2. Hides and skins and grains	10,434	

Commodities	Export in In tons.	Commodities
		Dhanbad Railway Station
1. Coal	2,434	Commoditywise figures of imports were not available at Dhanbad Railway Station. It was gathered that a total quantities of 47,423 tons of articles was imported to the station.
2. Other grains	545	
3. Hides, skins and Leather.	134	
4. Marble and stone	307	
5. Oil fuel	28	
6. Other mineral oils	96	
7. Gunnies	143	

The receipts of Sales Text also indicate the volume and value of internal trade. The rate of Sales Tax varies from 2 nP. To 9 nP. Under Bihar Sales Tax Act, 1959 which has repealed the old Bihar Sale Tax Act, 1947. There are two types of taxes, i.e, General Sales Tax and special Sales Tax.

General sales Tax is levied at the rate of ½ per cent of the total taxable turnovers. Special sales Tax is levied at different rates as specified in Schedules I, II and III appended with Government circular nos. 9133 and 9134, dated the 1st July, 1959.

List of good exempted from the levy of General sales Tax only are coal, hides and skin, iron and steel, oilseed, fertilizers, fruits and bullion, etc. the rate of Special Sales Tax is 2 nP. In the above commodities per rupee of the turnover. Sales Tax is not levied on all commodities, but there are a few items which are exempted from it, foe instance, *khadi* cloth , cotton, sugarcane food, meat and fish,

DHANBAD.

Common salt , fresh ,milk , livestock and green vegetables, etc. Another difficulty in the way is that special Sales Tax is levied on only such businessmen whose annual turnover exceeds Rs. 15,000 and hence it cannot be a true pointer as many dealers have a very small turnover to come within the purview of sales Tax. From 1st July ,1959 there has been a change in the law regarding the collection of sales Tax. Sales Tax is also levied on such businessmen whose annual turnover ranges from 5,000 to 15,000 . they are known as enrolled dealers and given enrolment certificates. This system has been helpful to some extent to raise the value of internal trade. Another difficulty in the way is this that tax on the gold and bullion was not levied on their actual turnover up to 30th June 1959, but amount to be collected from each district was fixed at the state level. Sales Tax does not give us separate amount collected on the turnover of different commodities in trade . it is also not possible to assess the number of tax evaders and the amount of tax evaded. The figures of sales Tax could be used to indicate at least the value of internal trade in the district .

CENTRES OF WHOLESALE BUSINESS.

There are mainly nine commodities , namely ,coal, cement fertilizers, fireclay, firebricks, coaltar, cloth, grain and turmeric arranged according to importance in which wholesale business is carried in the district. Many retail dealers of other districts like Ranchi, Gaya ,Hazaribagh, Patna., Bhagalpur and Santhal Parganas have a direct contact with the wholesale dealers of this district. The petty and less resourceful dealers of the district have their dealings with the local wholesale merchants.

Dhanbad being predominantly an industrial district and its main industry is coal. The most important item of trade of the district is coal which is not only sent to different parts of other districts of the State by road or rail, but also exported to different parts of our country . coal has been covered in detail elsewhere.

The chief centres of wholesale business in the district are Jharia, Dhanbad, Kerkand,Katras, Sindri, Chirkunda, Gobindpur and Patherdih.Dhanbad ,Jharia, Katras and Chirkunda are the chief marketing centres in the district.

Wholesale trading in food grains is also carried out at each of the wholesale trading centres of the district but the most important of them are Chirkunda, Dhanbad, Jharia and Katras .Chirkunda is one of the important wholesale business centers of the district . Though wholesale trading in food grains is carried out , there is not a single grain *mandi* in the district.The wholesalers take cloth and from outside the district and the retailers of *muffasil* area take cloth and food grains from these wholesalers of Dhabad district. The state Government also provide credit facility to some extent the retailers who run government Fair Price Shops.

BANKING, TRADE AND COMMERCE. RETAIL MARKETING CENTRES.

The main retail marketing centres in the district are at Dhanbad, Katras, Jharia, Kumardhubi, Chirkunda, Sindri, Patherdih, Gobindpur, Nirsa and Tundi. At all these places retail shops for almost all the commodities locally consumed are found. Particular items like radio receiving sets, sewing machines, cycles, etc, are also to be found in almost all retail marketing centers.

It is understood that there are about 175 registered wholesale dealers and about 2,365 registered retail dealers in this district (1961). Retail trading is done in all kinds of commodities like food-grains, cloth, silk, sugar and *kirana* goods, etc. It is difficult to determine the actual volume of retail trade due to inadequacy of statistics, tax-evasion and clandestine business. It would, however, be fair to assume that the amount of sales Tax and other commercial taxes collected give some indication. The receipts of sales Tax have been discussed elsewhere.

Retail shops, which provide a link between the consumer and the wholesaler, are located in various wards of Dhanbad and other towns and to a certain extent cater to the needs of the inhabitants of the localities. The stock-in trade of the majority of retail trade shops is limited but rapid replenishments are made. The capital investments of most of the shops are also limited. Retailers usually have dealings with some wholesalers in the town itself but not infrequently they have dealings with bigger traders outside. Retail sales are generally on cash basis but goods on credit are also given to some consumers whose accounts are settled periodically. It is feared that for a large percentage of sales no cash memos are given and payment of sales Tax is avoided.

Among retail trade shops in the district the grocery group is most important. It has the largest number of shops and provides the largest employment. Cereals and pulses, spices, jaggery, oil, *ghee*, condiments, tea, coffee, indigenous drugs, dry fruits, tinned foodstuff, cigarettes and a number of other miscellaneous goods are sold in these shops. The value of stock in trade of individual shops varies widely, i. e. from Rs. 1,000 to 10,000 and above. The retail shop-keepers, in this group, get their stock from wholesale dealers either local or outsiders. The wholesale dealers get their stock from Calcutta, Bombay, Kanpur, etc.

Next in importance to groceries come the sweetmeat and other shops that sell cooked food. There are a large number of them in Dhanbad and Jharia towns. There is brisk daily trade in this form of business. The stock-in trade of this type of shop varies from Rs. 300 to Rs. 1,000 and above.

Pan, bidi and cigarette shops are plenty. They have a large turnover in the district. Sale is mostly on cash basis. Most of the establishments are man establishment. The stock-in trade is

DHANBAD.

Generally obtained locally and sometimes from outside. A large number of these establishments make small quantities of bidis sufficient for their own sales. The value of stock in trade varies from R.25 to Rs.500 or above.

As regards cloth and hosiery it may be mentioned that these shopkeepers sell all kinds of textiles, cotton, woolen, silk for shirting, coating, etc., *sarees*, *dhotis*, towels and various kinds of hosiery. Ready made garments have a very good sale in this district. The stock in trade of an average shop is usually Rs. 500 but a few large shop keepers stock worth many thousands. Handloom and power loom products manufactured in the district and outside are obtained either directly from factories or from wholesale dealers. Sales usually shoot up during festivals and marriage season.

Footwear and other leather goods, accessories of shoe making such as sewing thread, nails, clips, belts, purses, etc. are sold by shopkeeper, big and small. The value of stock in trade of these traders varies from Rs.1,000 to 10,000 and above. Business is generally slack during monsoon and brisk during the summer season.

Shopkeepers under the group of Chemists and Druggists sell chemicals of various kinds, foreign and indigenous drugs, medicines and surgical instruments. A large part of the chemical drugs and medicines stocked is of a foreign origin and brought mainly from Bombay and Calcutta. There has been a large expansion of business in medicines and surgical goods. The sales representatives of the medical concerns are usually very smart and pushing and form a superior group to their colleagues in other lines. They are also better paid and better equipped.

Hawkers.

Hawkers play a comparatively less important role in the retail trade in the urban areas of this district. They play a more important role in semi urban areas. They sell comparatively cheaper articles usually in everyday use, viz. fruits, nuts, sweetmeats, sugarcane juice, cheap utensils, toys, etc. hawkers who sell tea, sweetmeats etc, are given licenses and a license fee of Rs.2 each per month is collected from them. There are, however, a large number of hawkers who do not take licenses from the Municipalities. Hawkens are usually found near the railway stations, bus stands and cinemas.

FAIRS, MELAS AND OTHER RURAL MARKETS.

Fairs and *meals* in the district may be divided into two categories, viz. seasonal and permanent. Seasonal fairs are held in a particular season determined by the lunar calendar. Permanent fairs or *hats* are held throughout the year on fixed days in the

BANKING , TRADE AND COMMERCE.

Week and are locally known as hats . Seasonal fairs are basically religious in origin while hats on fixed days are more commercial in its origin.

Seasonal fairs are held at Katras Maharajganj, Dhaiya, Madhuban, Tisra Baghmara, Topchanchi, Saharpura and Dhanbad town. By far the most important among the seasonal fairs are at Dhanbad town, Jharia town and Katras.

At Dhanbad town fairs are held on many occasions in the year, viz , *phalgun Triodasi* , *Basant Panchami*, *Sravan NagPanchami* ,*Shivaratri*, *Anant Chaturdasi*, etc. The congregation on the occasion of *Sravan* is the largest and next comes the on at *Basant Panchmi* festival.

Fairs are also held in Dhanbad on the occasion of Durga Puja and *Dewali*. The Durga Puja lasts for about ten days and attracts a large number of visitors both rural and urban. A big mela is held on the occasion of *Muharram* at Dhanbad town.

Every *mela* is a great clearing house. A large number of temporary shops crop up and articles of almost every description are sold and purchased. The visitors and particularly those from the rural areas visit the melas also for making purchases for their domestic needs like furniture, utensils, etc.

The number of *hats* is quite considerable in the district. A hat is held once or twice a week and as mentioned is the primary market for grains and other commodities.

A part from hats and fairs there are several permanent *bazaars* in the district usually on the main roads. Generally at these shops commodities, like cloth, salt, mustard oil, kerosene oil, ghee, condiments, pulses, cereals, etc, are sold. Originally at every 10 or 15 miles of the Grand Trunk Road there were chattris or halting places where a few small shops were held. Now all these places like Bagodar, Dumri, etc. have a good bazaar. The sweetmeat shops at these wayside places have a larger sale because of the heavy motor traffic. Usually these places have got more than one petrol shop.

The following are the list of hats and melas of this district:-

Hats :- Palmtree, Laloodih, Pindrajore, Mangra, Latipahari, Mohuda, Baghmara , Nirsha, Kumardhubi, Nawatwar, Maniadih, Tundi, Keshka, Bijra , Gobinpur, Chirkunda and Jharia.

Melas:- Khalai Chandi, Puchora, Sarauni, Ulgora, Chargosia, Nirsha, Gopalganj, Salukchakra Kairy, Pindra *hat*, Patharkuan, Dumarkunda , Beheiya, Dekjora , Pating, Behichipur, Bhogatu, Tassa, Bhimphor, Dhaiya, Pardhankhanta, Baliapur , Paharpur, Kolahar, Laudhadih, Maharajganj, Bijra and Salukehapur.

DHANBAD.

Co –OPERATION IN WHOLESALE AND RETAIL TRADE.

There is mutual co-operation between the wholesale and retail dealers as their business is inter-dependent. The wholesale dealers supply the goods to the retailers on credit. The retailers repay the amount to the wholesaler after selling the goods. But this credit facility is given only to reliable and trusted retailers. Credit facility is usually not given in gold and silver business. Perishable goods are also not normally given such facilities although lump sums are allowed by the wholesalers as loans.

MODE OF DISSEMINATION OF TRADE NEWS.

Trade news of markets of in general percolate to the local merchants through letters , daily papers, radios, telephones and telegrams. The daily newspapers published from Patna, Calcutta or other places in English or in the vernacular languages carry trade news and they are eagerly scanned. Recently some exclusive trade journals in English are becoming popular with the English knowing businessmen. Besides, the merchants also receive information from Government Department. A marketing section has been recently opened under the Agriculture Department and a price reporter has been appointed who is expected to communicate news regarding trade and commerce to the traders and also the fluctuations of daily rates of market. The tradesmen of Dhanbad as a class have very little use of this section. The information catered by this agency is usually stale as the tradesmen assert.

PRICE CONTROL MEASURES

Due to exigencies of the Second Great War there was an abnormal rise of price of certain essential commodities, viz., rice, wheat, cloth, cement, kerosene, petrol, etc. It became necessary to control the supply and consumption of these essential commodities. A co-ordinated policy of the state and Central Governments was evolved and machinery was introduced to work the scheme.

Fair Price shops were opened in the urban areas. A buffer reserve of essential commodities was sought to be built up by the state Government by direct procurement of food-grains and other articles, stock them in government godowns regiment supply and consumption through the Fair Price Shops which were licensed. The system of ration cards for the consumer was insisted on where a maximum quota of food –grains and cloth was laid down for each individual in a family unit.

The Fair Price Shops were first started in Dhanbad in 1942 for supply of rice, wheat, sugar, kerosene oil and clothe, etc. at no stage was there a totalitarian control. This arrangement continued throughout the war period and is still continuing in some shape or other and is particularly helpful whenever there is a strain on the supply.

BANKING , TRADE AND COMMERCE.

During war period Government had also to exercise control over cloth, steel, iron goods, cement and petrol but the supply of these commodities was not made through the Fair Price Shops. These commodities continued to be supplied to the public through their normal agencies but under the restrictions imposed by statutory orders.

The control on the cloth and some of the essential food-grains was quite rigid up to 1946. The rigid control was withdrawn in the later part of the year . 1946. but had to be re-imposed in December ,1949. Although the control on the distribution of some articles was withdrawn, the system of license on basic essentials such as wheat, rice and cloth had to continue.

The scheme of fair price shops had to be extended from Dhanbad town to other urban areas such as Sindri and Jharia . It was found unnecessary to extend them to the rural areas as the villages were never starved of the supply of such food –stuff although there was a rise in the prices.

To store the food-grains a number of god owns of were started in Dhanbad and the god owns in Dhanbad town acted as the Central Supply unit.

There are now Government god owns at Dhanbad , Jharia,,Chirkunda, Katras and Gobindpur to distribute grains to Fair Price Shops. The following statement supplied by the District Supply Officer shows supply of food –grains (wheat and rice, etc.)through Fair Price Shops, number of god owns for storage of Government food-grains and number of Fair Price Shops functioning in the district of Dhanbad from 1957-58 to 1961-62:-

--	1957-58	1958-59.	1959-60.	1960-61.	1961-62.
1. No.of god owns functioning.	11	11	5	5	5
2. supply of food	-6,46,027	7,13,322	6,48,682	6,10,625	not available.
3. No.of Fair Price	-not available-	not available-	208	208	208

The industrial laborers working in collieries do not get sufficient time to purchase wheat from Fair Price Shops. A Flour Mill was established on 1st October 1961 at Dhaitya in Dhanbad town to cope with the demand of flour mostly by industrial laborers. The State Government grants permit to this mill and now the mill gets a supply of 100 tons of wheat daily from the Government of India.

DHANBAD.

The State Government has issued permits to eight *atta chakkis* all located at Jharia to make *atta* from wheat. The Central Government supplies wheat to these *atta chakkis*.

There is a Central food Storage Unit at Bhhaga maintained by Government of India. It is the feeding centre of all the god owns in the district.

The aftermath of the second Great War could not normally subside owing to unfortunate droughts and scarcity conditions that has visited the district from time to time .the supply Department at the secretariat level and the District Supply Officer under the Deputy Commissioner at district level had to continue.

During the later part of 1958 there was scarcity of rice and price soared high. Government introduced the Bihar Milled Rice Procurement(Levy)Order, 1958 according to which mill owners and dealers were required to deliver 25 to 50 percent of their production to Government at the rate of Rs. 16 per mound for standard medium rice. There was scarcity in certain particular pockets. Since 1960 the position of the supply of rice and wheat has considerably eased up. Fair Price Shops sell more of wheat as the ruling price of wheat in the open market is higher.

CONTROL ON OTHER ARTICLES.

Sugar – Control on sugar was imposed in 1944 in Dhanbad but it was withdrawn in 1948 because the supply position of sugar had considerably improved. There was again scarcity of sugar in 1950 and sugar was controlled under sugar control Order. In 1953 the control over sugar was suspended and there had been no control till April, 1959. The Bihar Sugar Dealers Licensing Order was introduced in 1959. in 1961, 65 sugar dealers licenses were renewed.

The licensed dealers get allotment of sugar on their indents direct from the Chief Director of Sugar and *Vanaspati*, New Delhi on the recommendations of the Deputy Commissioner through the State Government .Initially in 1959 this district used to be allotted 11 wagons of sugar each consisting of about 605 mounds. In 1960 the quota was raised to about 16 wagons and in the later part of 1960 the quota was further raised to about 32 wagons which continued till about July, 1961. The system of sugar to the whole sale dealers was abolished since July, 1961.

Iron and steel – at present (October, 1962) iron and steel are in short supply although there is no direct control. There are two registered iron stockiest in the district. Allotment of iron is made by the State Government to the stockiest through quota certificate. The stockiest submit indent to the Iron and Steel Controller, Calcutta. The supply is irregular and inadequate.

BANKING , TRADE AND COMMERCE.

Cement. -- The Bihar Cement Control Order, 1948 was introduced in December, 1948, which required dealers to obtain license and dispose of the stock at controlled rates to permit holders. In 1958, due to satisfactory position of cement, control over the distribution was relaxed. In 1959 the control over the distribution of cement was withdrawn. In 1960 due to want of wagon supply, position of cement became uncertain and Government have had to introduce the quota system on cement allotment. The selling rate of cement has to be fixed by the Sub divisional Officers concerned. There are about 59 cement licensees in the district and the present quarterly quota of the district is about 120 wagons but there is difficulty in wagon movement.

Coal. -- There is no problem of coal or its distribution within the district because this district is industrial and coal is the chief industry. There are about 50 coal dealers' licensees who get coal from local collieries to sell coal for local consumption. The present rate of coal in the market is Re. 1.25 per mound (October, 1962) in Dhanbad.

Kerosene Oil. -- The Bihar Kerosene Oil Control Order was promulgated in October, 1948 in Dhanbad to regulate the supply and distribution of Kerosene Oil. In 1950 there were 9 wholesale agents and 921 retailers in this district. Till 1951 the supply of Kerosene oil was scarce and there was full control on it. In 1952 due to foreign supply, i.e., from Burma and other places the position somewhat improved and in 1953 the control on Kerosene oil was withdrawn.

Cloth and yarn. -- The Government of Bihar had promulgated the Bihar Cloth and yarn Control Order in November, 1948 in Dhanbad. This required the wholesale dealers, retailers and hawkers to take licence and sell the commodities at controlled rates. Cloth and yarn had to be imported through provincial nominees. prior to 1948 standard cloth as an austerity measure was sold in 1947 (*dhoti saree and markin*) of red and black border through shirting was also sold through licensed shops. In 1946 cloth was sold on ration cards to the public. This system lasted for three years and was closed down in 1947.

In 1953 the system of obtaining Cloth and yarn through provincial nominee was discontinued, since then the Cloth and yarn merchants were simply required to take licence for dealing in Cloth and yarn and work on their own. In 1962 there are 29 wholesale dealers and 672 retail dealers in cloth.

The Agro – Economic Research Center of Visva – Bharati University had studied the working of the Fair price shops in Bihar, 1956-57 and their brochure on the subject is their Ad Hoc Studies : no .2.

DHANBAD.

From this report it would appear that there was no marked rise in the price of food grains in Bihar till the end of 1955 . But by February ,1956 prices were beginning to show an upward turn.

This made the Bihar Government decide in favor of opening Fair price shops in the city of Patna . In February ,1956 food grains prices all over the state had risen considerably and the prospect did not seem bright at all. *Rabi* crops were damaged in 1956-57 and Prices started soaring from the beginning of 1957. Fair price shops had to be opened in other districts as well. The study was spread over Patna , Ranchi and Bhagalpur.

This research team comes to the conclusion that there was a confusion in Government circles regarding the objective of the Fair Price Shops . The main purpose behind the opening the Fair Price Shops in the earlier stages was to influence market prices through their operation . Later on the background and the objective of given relief to the consumers was adopted by the Food Department in the State.

There was also a certain amount of confusion and a duality in the field of responsibility for the administration of these Fair Price Shops between the Central and the state Governments. Whenever supplies were not available , the state Government blamed the Central Government , and when the administration of these shops were not efficient the blame was shifted by the Central Government to the state Government , which was actually responsible for the supervision of these shops . The main responsibility recognized by the state Government was that supplies made available to the Fair Price Shops were sold at fixed rates. The rates were Rs. 14-8-0 for wheat and Rs . 16-8-0 for rice at retail price per mound respectively. There was little control over the ruling prices elsewhere.

There was a lot a of complaint of the shop owners as well as the public against the irregularity in the supply of food – grains to these shops . The shop owners complained that the procedure for obtaining stocks was dilatory and complicated. There used to be gaps of 2 to 3 days between the exhaustion of old supplies and the receipt of new stocks and during these days the customers had to be refused .

After a certain amount of well- based research, the team came to the conclusion that the main objective of the Fair Price Shops to bring down the market price of food grains was not achieved. The quantity available at the Fair Price Shops was not always sufficient and so even the Fair Price customers had to go to the open market and buy rice and wheat at a much higher price . Over the same period the difference between market price and the fair price had increased from Re . 0.50 to Rs . 6.50 per maund of wheat . The data convinced the team that the Fair Price Shops in Bihar did not succeed in bringing down retail prices in the market .

BANKING TRADE AND COMMERCE.

The consumers' reaction to the Fair Price Shops was not very favorable. A common complaint was that due to the irregularity of the supply of food-grains the consumer had to make several trips during the week before they could obtain supplies. There was also a general complaint against the quality of wheat supplied through the Fair price shops. It was also complained that rice was not always available in the Fair price shops.

The survey also revealed that consumer's preferences cannot be changed by forced distribution through recognized shops. In spite of rising prices people would still stick to buying rice and would not take cheaper wheat. Among people in the different income groups, those with income below Rs. 200 per month benefited most from the Fair price shops.

The general observations and conclusions of the research team based on their study in Patna, Bhagalpur and Ranchi could, however, apply to the other districts as well to a very great extent.

MERCHANT AND CONSUMERS' ASSOCIATION

These associations are formed to foster the common interests of the businessmen and also to look after the interests of the consumers.

Some of the Trade Associations are listed below:--

- (1) Indian Colliery Owners' Associations.
- (2) Indian Mining Associations.
- (3) Indian Mining Federation
- (4) Cloth Merchants' Associations.
- (5) Cement Merchants' Associations.
- (6) Food – grains Merchants' Associations.
- (7) Retail Cloth Dealers' Associations.

The details regarding Indian Colliery Owners' Associations, Indian Mining Associations, and Indian Mining Federation which are registered associations have been given in the Chapter "Industry" of Dhanbad.

The other associations are unregistered and do not appear to play a very important part as their membership does not cover the bulk of the traders in their lines.

Since the Price Control measures were enforced the importance of the Trade Association has increased. A large number of Acts have been passed and regulations framed and it is not possible for a petty businessman to know their implications. The Associations from the link to help them in the interpretation of the law and also to guide them if they commit any breach.

DHANBAD.

There is no recognized or well-knit Consumer's Associations in the district .

WEIGHT AND MEASURES

Regarding Weights and Measures H. Coupland in the *District Gazetteer of Manbhum* (1911) mentions as follows :--

“The extension of the coal industry and the opening out of the district generally , which has resulted from it , has naturally led to the standardization of weights in the district . In the larger markets and generally at most place within reach of the railway the only weight in used to the standard seer of 80 tolas. In the more out –of the – way parts , a seer varies from as little as 60 to as much as 112 tolas in Manbazar, south- eastern Barabhum, Baghmundi and elsewhere . Actual transactions , when dealing retail , are usually by measure bowls supposed to hold $\frac{1}{4}$ seer (*powa*) or a seer (*paila*) being used to measure grain .

“The standard cubic for all ordinary purposes is one of 18 inches : small units are the anguli or thumbs – breadth , the *mushtis* of 4 angulis – three inches , and the bigha equal to three *mushtis* . Five haths in length by four *haths* in breadth make a chittak of 45 square feet land measure , 16 chittacks equal 1 katha , and 20 kathas one bigha .”*

In Dhanbad district weight and measures of great diversities were in use . The Bihar Weight Act 1947 did not come into force in any part of the district .

Due to creation of confusion and uncertainty in trade on the part of retailers , the State Government of Bihar . enforced Bihar Weight and measure measure Enforcement Act of 1959 in the whole state of Bihar . This act was enforced in January, 1961 in Dhanbad and Sindri towns only . Hence with the introduction of the new Act of weight and measures in Municipal and Notified Area Committees it was considered desirable to replace the old weight by new metric weights. The metric system was enforced in urban areas, namely , Dhanbad and Sindri where the weight according to this system have been made obligatory .

Since 15th November , 1962 the State Government of Bihar enforced Bihar weight and measures Enforcement Act ., 1959 for both rural and urban areas and with the introduction of metric system of weight and measures the age old Systems of mounds , seers

BANKING TRADE AND COMMERCE.

and *chhatak* and inch , foot and yard have now come to an end but not completely .this Act of 1959 has been compulsorily enforced in urban areas but some big wholesale dealers still use old weights in the markets .

Occasional prosecution are launched for breaches of the Act .It may, however, be mentioned that the weighing machine of the railway authorities are not verified . The railway authorities claim that as they work under the Central Administration they do not come within the purview of State Government Act.

Standard weights are manufactured by bona fide licensed dealers. They sell standard weights. There are five dealers at Dhanbad and two at Sindri that sell standard weights .