

CHAPTER V INDUSTRIES

OLD TIME INDUSTRIES

The Hisar district has been a cattle breeding and agriculture dominated district since past, and as such no manufacture of importance is reported to have existed there. However, crude saltpetre, coarse country cloth, oil pressing, leather scales and vessels and hookahs and embroidered woollen *orhanas* or *chadars* were a few village manufactures which were carried on in the district towards the close of 19th century.¹ A saltpetre refining unit is also said to have existed at Hansi by 1892.²

Besides, usual village crafts like carpentry, blacksmithy, shoe-making and cloth weaving were carried on in almost every village by the village menials such as Khati (carpenter), Lohar (blacksmith), Chamar and Dhanak respectively. The crude saltpetre was made from *shora* or saline earth. The earth was dug out and placed in a heap or mound near the village site, an earthen channel connected the mound with the evaporating pans. The water was poured on the saline earth and the resulting dark brown liquid drained off into the pans and left there to evaporate by solar heat. In some cases the manufacture was carried on by means of solar evaporation alone, while in other, after a certain amount of evaporation, the material was boiled in iron caldron for six hours. In either case, the resulting product was dirty brown crystals of crude saltpetre. These were purified and re-crystalised by the contractors at Hansi and also at the adjoining towns of Sirsa (Sirsa district) and Bhiwani (Bhiwani district).

Coarse country cloth was made in almost every village but the Chief seat of this industry was at Fatehabad. Fatehabad was also known for manufacture of leather scales and *kuppas* (leather vessels) for oil and ghi. These had local reputation and were sold outside the district also. Besides, the leather hookah, metal bound, was quaintly adorned with strips and studs of copper, brass and sometimes silver, roughly engraven.³

The *teli* or oil presser was commonly found in the village and the oil pressing was carried on with the *kohlu*.

The embroidered woollen *orhanas* or *chadars* of the district are worthy of mention. Though nothing could be more homely than the material, or

1. *Hissar District Gazetteer*, 1883-84, pp. 51-52.

2. *Ibid*, 1892, p. 209.

3. *Ibid*, p. 210.

more simple than the design, they were thoroughly good and characteristic in effect. Two breadths of narrow woollen cloth were joined with a curious open work, sewn and covered with archaic ornaments in wool and cotton thread of different colours, needle wrought in a sampler stitch. The cloth was a fine red, though somewhat harsh and coarse in texture and though all the designs were in straight lines, human figures and creatures were sometimes oddly indicated. Besides, *chadars* and *ghagras*, of dark indigo or madder-dyed rough country cloth, with orange coloured silk in bold patterns, diversified by the insertion of small circular mirrors, were made at Hisar and Hansi.¹

The decade 1891-1900, witnessed a striking extension of industrial enterprise and, there were 8 (6 at Hansi and one each at Hisar and Narnaund) cotton ginning and pressing factories in 1900-01 and 13 units at Hansi, 2 at Hisar, and one each at Narnaund (Hansi tahsil) and Uklana (Hisar tahsil) in 1915.² This led to an immense increase in the area under cotton, in the canal irrigated areas of the district. Hansi became the industrial centre for traditional cotton ginning and pressing. Hansi also came to be known for handloom weaving. The special variety of handloom cloth woven at Hansi was known as 'Hansi Check'. Later, the water-logging conditions in the area led to the decrease in cotton production, affecting badly the Hansi ginning and pressing units. The Hansi handloom suffered a great set-back with the migration of muslim skilled weavers in 1947 during the Partition. After Independence, a few agricultural implements manufacturing units came up in Hansi, but there was no large-scale unit in the district till 1955. The first large-scale textile mill was established at Hisar in 1955. Later in 1963, a steel pipe manufacturing unit also went into production. In small-scale sector, the industrial activity was mostly dominated by agro-based industries like dal-making, oil mill, sugar-making, cotton ginning and pressing and handloom textile. The following table would indicate the number of large and small-scale units in the district as on December 31, 1961.³ :-

Sr. No.	Nature of Production	Name of the Place	No. of Units
1.	Cotton ginning and pressing	Hansi	11
		Hisar	3
		Adampur	2
		Uklana	3
		Jakhal	2
		Tohana	1

1. *Hissar District Gazetteer*, 1892, p. 210.

2. *Ibid*, 1915, p. 176.

3. *Hissar District Census Handbook*, 1961, 1 p. 73-74.

Sr. No.	Nature of Production	Name of the Place	No. of Units
		Budana	1
		Badopal	1
2.	Paddy and rice husking	Tohana	1
3.	<i>Dal</i> -making	Hisar	6
		Fatehabad	1
		Tohana	1
		Badopal	1
		Adampur	2
4.	Sugar-making	Uklana	1
		Mayyer	1
5.	Cloth manufacturing	Hisar	1
6.	Oil Mill	Hisar	1
7.	Re-rolling, moulding and machine manufacturing, utensil making, bolts and nuts and galvanizing of buckets	Hisar	5
8.	Agricultural implements	Hansi	1
9.	Handloom textile	Hansi	7
10.	Ice Factory	Hisar	1

It would, thus, be clear that there was very little progress regarding the establishment of modern industries till the formation of Haryana in 1966.

The district saw the establishment of a number of medium scale industries after 1966. Jindal Industries which started steel pipe manufacture in 1963 established another unit at Hisar and started production of hot rolled iron strips in June, 1971. Haryana Tube, Hisar, went into production of steel

pipes and tubes in 1975, while Ravindra Tubes started production of steel tubes and pipes at Satrod (Hisar tahsil) in 1975. Haryana Polysteel, a state Government undertaking also went into production of steel ingots in November, 1975 at Satrod. Janak Steel Tubes was commissioned in 1976 and the Hansi Cooperative Spinning Mills began production in July, 1977. Thus in 1978, the district had two large scale spinning mills and six large/medium scale steel tubes and pipes mills.

LARGE AND MEDIUM SCALE INDUSTRIES

Hisar Textile Mills, Hisar.—The textile mill at Hisar was set up in 1955 by the Delhi Cotton and General Mills, Delhi at a cost of Rs. 170 lakh. Initially the mill had 18,720 spindles and gave employment to 1,122 persons. The production jumped up to Rs. 996 lakh in 1971 and 3,322 persons were employed in the mill. In 1977-78, the mill produced cotton and synthetic yarn and sewing thread and its production was worth Rs. 1,505.68 lakh and 2,723 persons were employed. The export during the year was worth Rs. 0.17 lakh of cotton yarn to Australia.

Hansi Cooperative Spinning Mills, Hansi.—The Cooperative Spinning Mill was established in 1977, at a cost of Rs. 484 lakh with a capacity of 2,500 spindles, with specific purpose to make yarn available to weavers at reasonable rates. The mill went into production of cotton yarn in July, 1977, with 700 workers. In 1977-78, total production of the mill was worth Rs. 213.81 lakh and it gave employment to 700 persons.

Jindal Industries Ltd., Hisar.—Jindal (India) Private Ltd., established a medium scale steel pipes/tubes industry at Hisar in 1963. The unit manufactures mild steel pipes/tubes by high frequency electric resistance welding process. The mill also exports its products to Mauritius, Kuwait and Burma. In 1977-78, the production of the mill was worth Rs. 481.98 lakh and it gave employment to 303 persons. Its exports were worth Rs. 1.6 lakh.

Jindal Strips Limited, Hisar.—The Jindal Strips Limited, Hisar established a mill to produce hot rolled strips in June, 1971. Established at a cost of Rs. 80 lakh, the unit manufactures mild steel ingots and square flats hot rolled steel strips and stainless steel alloy steel strips. In 1977-78, the production of the mill was worth Rs. 298 lakh and it gave employment to 324 persons.

Haryana Concast Limited, Satrod.—Haryana Polysteel, a joint sector project, promoted by the Haryana State Industrial Development Corporation, later taken over by Haryana State Industrial Development Corporation established

the factory in November, 1975 with capital investment of Rs. 184.69 lakh. It was renamed as Haryana Concast Ltd. in 1975. The company started partial production with one 15/77 tonnes capacity electric arc furnace in 1975. The second furnace was commissioned in 1976. The factory makes ingots and billets for rolling machines. In 1977-78, the factory produced goods worth Rs. 213.81 lakh and gave employment to 390 persons.

Haryana Tube Manufacturing (P) Ltd., Hisar.—The company established the unit to manufacture galvanized black steel pipes and tubes in 1975. The total production of the unit was worth Rs. 250 lakh and it gave employment to 144 persons in 1977-78.

Ravindra Tube Ltd., Satrod.—This unit was established in 1975 at a cost of Rs. 57.75 lakh, at village Satrod (Hisar tahsil). The unit went into production in 1975. It manufactures mild steel pipes and tubes. In 1977-78, its production was worth Rs. 410.83 lakh and it gave employment to 167 persons.

Janak Steel Tubes (P) Ltd., Hisar.—The unit was established at Hisar in 1976 to manufacture mild steel pipes and tubes. In 1977-78, its production was worth Rs. 143.26 lakh and it gave employment to 55 persons.

Guar Gum Chemical Ltd., Hisar.—The unit manufacturing *guar* gum splits and *guar* gum powder was set up with a capital investment of Rs. 16 lakh. It started production in 1977. In 1977-78, the unit employed 38 persons and its production was worth Rs. 315.69 lakh.

Haryana Oxygen, Satrod.—The unit manufacturing oxygen gas went into production in December, 1976. In 1977-78, the unit employed 31 persons and its production was worth Rs. 4.49 lakh.

Small-Scale Industries

The small-scale industries in the district have increased tremendously as the state government provides various facilities to the entrepreneurs. The small-scale industries are concentrated at Hisar, Hansi, Fatehabad, Tohana, Uklana, Bhuna and Ratia. These small-scale units were engaged in the production of agricultural implements, light engineering, steel fabrication, cotton ginning, oil and *dal* mills, steel wire, aluminium and stainless furniture and utensils, paper product, chemicals, rubber, printing, wood work, leather work and ice making. In 1977-78, there were 70 small-scale units with capital investment of Rs. 22.8 lakh, registered in the district. These units provided employment to 367 persons on the average and the production was worth Rs. 75.4 lakh. The following table shows industry-wise number of units, capital investment, production and employment :—

Industry	Number of Units	Persons Employed	Production	Capital Investment
			Rs.	Rs.
Agricultural implements	7	35	2,10,000	3,50,000
Light engineering	7	35	2,00,000	3,00,000
Steel fabricators	5	30	2,50,000	2,00,000
Cotton ginning	12	60	3,60,000	1,60,000
Dal mills	3	25	50,90,000	2,50,000
Oil mills	1	5	30,000	50,000
Steel wire	2	12	2,00,000	1,50,000
Paper products	1	5	30,000	50,000
Aluminium/Stainless steel utensils	1	5	1,30,000	1,30,000
Aluminium/Steel furniture	1	5	1,00,000	50,000
Chemicals	12	60	3,60,000	60,000
Rubber (cycle tubes)	1	5	30,000	50,000
Printing	2	10	60,000	1,00,000
Wood work	12	60	3,60,000	80,000
Leather work	1	5	30,000	50,000
Ice-making	2	10	1,00,000	2,50,000
Total :	70	367	75,40,000	22,80,000

Khadi and Village Industries

Though the large scale and small-scale sector contribute to the industrial progress of the district, yet the Khadi and other village industries meet the day to day needs of the villagers. These industries which are carried on by the artisans on family basis form the acid test of the rural economy. The village carpenter, weaver, blacksmith, shoe-maker and tanner are important functionaries of the village set-up. To promote these khadi and village industries, the Haryana Khadi and Village Industries Board, Chandigarh provides loans and subsidies. During the years 1975-76 to 1977-78, the amount of loan and subsidy

advanced in the district is given below :

Year	Subsidy (Rs.)	Loan (Rs.)
1975-76	56,250	1,68,950
1976-77	1,69,365	9,56,085
1977-78	83,005	7,24,740

Rural Industrialisation Programme

The rural industrialisation programme was launched by the state government in 1977-78 to generate employment opportunities for the unemployed educated rural youth and raising income levels and living standards of the rural artisans and weaker sections of the society. Under the scheme, two or more educated unemployed rural entrepreneurs belonging to farming, business, scheduled castes and backward classes communities may join to set up an industrial unit. The partners belonging to scheduled castes/backward classes should be literate, while others should be matriculates or I.T.I. diploma holders. None of these persons should have any commercial interest in cities or possess land beyond 7 standard acres. The total capital investment of a unit should not exceed Rs. 1 lakh. There is no bar on individual educated unemployed benefitting from the scheme but the ceiling on capital investment is Rs. 30,000.

Funds for industrial ventures in rural areas are made available on easy terms. The finances required to meet the capital cost of the project together with 3 month's working capital to the extent of 80 per cent is advanced by financial institutions at the subsidised interest rate of 6 per cent, 10 per cent is seed money loan at 4 per cent interest and the remaining 10 percent is contribution of the entrepreneur. A number of other benefits such as 15 per cent cash subsidy on capital investment, over-riding priority in releasing power connections, training stipends, additional allocation of raw material, price preference in government purchase and exemption from sales tax, purchase tax, stamp duty and registration fee are available to the units under this scheme. By March 1978, 10 units were started in the Hisar district. A loan of Rs. 28,000 and a subsidy of Rs. 3,000 was advanced to 5 units in 1977-78.

ratives assist the primary industrial cooperative units in their production, procurement of raw material, and marketing of their finished goods.

The development of industrial cooperatives in the district is looked after by the Assistant Registrar, (Industrial), Hisar. He is assisted by 3 Inspectors and 11 Sub-Inspectors in the district. The industrial cooperative societies in the district are engaged in the manufacture of engineering goods, wood work, utensils, edible oils and soaps, *gur* and *khandsari*, shoe-making and tanning. The following table gives details of the number, production and financial details of the industrial cooperatives in the district during 1975-76 to 1977-78 :—

Particulars	1975-76	1976-77	1977-78
No. of Societies	436	431	429
Business turnover (000 Rs)	123.63	144.53	157.81
Working capital (000 Rs)	154.86	168.44	177.47

SOURCE OF POWER

The district remained without electricity until 1934 when the towns of Hisar and Hansi were provided with electricity, generated by diesel plants. The diesel generated power was distributed for domestic, commercial and industrial use. However, only small oil and flour mills utilised this power, while large cotton ginning factories employed their own thermal engines to run the factories. In 1956, hydro-electric power from Bhakra Nangal Project was made available to the towns of Hisar and Hansi through the South Punjab Electricity Company. The distribution of electric supply to the two towns was taken over by the State in April, 1962.

In 1977-78, every town and village in the district was provided with power and its distribution in Hisar district was controlled by the Superintending Engineer, Operation Circle, Haryana State Electricity Board, Hisar. The following grid sub-stations were functioning in the district and supplied electricity in the district :—

Grid Sub Station	Number of Transformers Installed	Voltage Ratio	Capacity of Each Transformer
132 KV	1	132/33 KV	20 MVA
	1	132/11 KV	10/16 MVA
	2	132/11 KV	12.5 MVA
	1	132/11 KV	10 MVA
33 KV	2	33/11 KV	12.5 MVA
	10	33/11 KV	4 MVA
	8	33/11 KV	2 MVA
	4	33/11 KV	1 MVA

There were 3,475.15 Kms long 11 KV lines, 3,972.85 Kms long distribution lines and 2,644 transformers of 25 and 1,000 KVA capacity. Electricity units consumed in the district in 1977-78 were as follows :—

Category	Units Consumed (Lakh Units)
Domestic	131.61
Commercial	66.80
Industrial	686.92
Tubewells	547.60
Others	56.90

GOVERNMENT ASSISTANCE TO INDUSTRIES

The District Industries Officer assisted by 6 Inspectors and 11 block level extension officers looked after the promotion of industries up to 1979, when the district industries centre with General Manager as its head was started to provide package of facilities to entrepreneurs. The State government provides land and industrial sheds on easy instalments, financial assistance, machinery on hire-purchase basis, raw material and marketing facilities through various agencies.

Industrial Areas, Colonies and Estates .—The government established an industrial development colony on an area of 12 acres having 49 plots at Hisar on Delhi road. Besides, an urban industrial estate with 40 sheds at Hisar and two rural industrial estates with 8 sheds each at Fatehabad and Barwala were set up. The sheds in the industrial estates are allotted on hire-purchase basis.

Financial Assistance .—The State government advances loans to small-scale industries under the State Aid to Industries Act, 1935. Such loans are granted for construction of factory buildings, purchase of machinery and equipment and working capital to the extent of Rs. 1 lakh against tangible security, either of the applicant or of his surety, the amount loaned being 50 per cent of the security offered. Loans upto Rs. 5,000 are granted on the recommendation of the district loan advisory committee of which the Deputy Commissioner is the chairman; loans exceeding this amount are sanctioned by the Director of Industries, Haryana on the recommendation of the Board of Industries, constituted by the State government against the mortgage of immovable property. The loans advanced in the district during 1975-76 to 1977-78 are given below :

Year	Amount Disbursed	No. of Bene- ficiaries
	(Rs. in lakhs)	(Number)
1975-76	4.81	85
1976-77	5.90	118
1977-78	6.55	153

The State also provides financial assistance through the State owned Haryana Financial Corporation, which was established in the year 1967. The corporation advances loans up to Rs. 30 lakh in case of limited companies and registered cooperatives and Rs. 15 lakh in case of others. The loans advanced by the corporation in the district for the last three years is given below :

Year	Loan Advanced			
	(Small-Scale Industries)		(Others)	
	No.	Amount of loan	No.	Amount of loan
		(Rs. in lakhs)		(Rs. in lakhs)
1975-76	17	46.18	2	46.5
1976-77	12	24.49	—	—
1977-78	12	37.42	—	—

Loans are also provided to the industries by the commercial banks. These banks provide loan facilities for working capital, and export and medium terms loans for construction of factory sheds, purchase of plant, machinery and equipment and for extension of existing units. The banks also meet credit requirements of artisans and village and cottage industries.

Supply of machinery.—The central government through National Small Industries Corporation, supplies machinery to small-scale units on hire-purchase basis. Only five to ten percent of the cost of machinery is paid initially and the remaining loan is paid in easy annual instalments. The Haryana State Small Industries and Export Corporation, a State government undertaking, also provides machinery on hire-purchase basis and financial assistance upto Rs. 50,000 on a nominal rate of interest.

Supply of Raw Material and Marketing Assistance.—The Haryana State Small Industries and Export Corporation procures and distributes indigenous and imported raw material. The industrial units are allotted raw material on the basis of their assessed capacity. The corporation is a recognised export house and it helps the entrepreneurs in marketing their products in markets all over the world. The small industries are given purchase preference and marketing assistance through their participation in government stores purchase programme.

Incentives.—The major part of the Hisar district comprising Hisar and Hansi towns, Hisar I, Hansi I, Barwala, Tohana and Bhuna blocks has been notified as industrially backward areas by the Government of India and 15 per cent capital subsidy and 20 per cent income tax remission is available to units located here. A subsidy of 20 per cent is given to small-scale industrial units for the purchase of diesel generating sets. Interest free loan in lieu of inter-state sales tax paid or payable, exemption from electricity duty and octroi is granted to the industrial units for a period of 7 years.

Rural Industries Project

A centrally sponsored scheme to help the process of industrialising rural areas was undertaken in 1971-72. The project envisaged fast growth of small-scale industries utilising locally available raw material and producing goods of local requirement. The project was limited to rural areas and semi-urban areas having population less than 25,000 persons. The project arranges financial assistance to the new and exis-

ting units at cheaper rates and subsidy for the purchase of tools, power and training of artisans. The project also implements Rural Artisans Programme under Intensive Rural Development Programme.

Quality Marking Centre.—In order to provide testing and certification facilities to manufacturers of engineering goods, there is a Quality Marking Centre at Hisar. It provides the facilities of testing raw material, semi-finished and finished goods, supply of technical guidance for material and methods of fabrication and standardisation.

INDUSTRIAL LABOUR

Industrial labour in the district is generally drawn from Uttar Pradesh and Rajasthan, from where they come for employment. The labour in large and medium units have organised themselves and avail better emoluments, and other benefits like bonus, gratuity, house rent and provident fund. The Industrial units like Hisar Textile Mills and Jindal Strips limited have provided fair price shop and consumer stores. The wages in the small-scale sector are not uniform and vary according to demand and supply. Many small-scale units are seasonal rendering a large labour force as jobless during off season.

In 1977-78, there were 29 trade unions of industrial workers in the district and their list is given in Chapter XVII, Other Social Services.