

Chapter VI

BANKING, TRADE AND COMMERCE

BANKING AND FINANCE

INDEBTEDNESS AND MONEY-LENDING

There has been no survey of indebtedness in the district. The Famine Report of 1879 discussed at some length the economic conditions of the peasantry and actual figures were given only to illustrate typical instances. However, the Famine Report indicated that the economic conditions of the peasantry depended on various factors such as the castes, size of the family, subdivision of land, irrigation facilities, nature of soil and status of the agriculturist. The causes of debt enumerated were general extravagance, which led to debt even in ordinary years; marriages and funerals, the expenditure on which was enormously disproportionate to the income; drought, which found the agriculturist without any surplus, killed his cattle and compelled him to borrow to pay the revenue and support his family and finally neglect to pay the interest on debts already contracted which rapidly multiplied.

During the Settlement in 1907—09, the total unsecured debt in the district was estimated to be more than Rs. 84 lakh. The corresponding figure for the secured debt was Rs. 112 lakh. Again, the economic surveys of village Bhadas (tahsil Firozpur Jhirka) in 1926-27 and 1930, conducted by the Board of Economic Inquiry, Punjab, are indicators towards the general conditions which then prevailed throughout the district.¹

The survey of 1926-27 showed that 41 per cent of the borrowings were against mortgage of land and the remaining 59 per cent were unsecured. Of the latter, 35 per cent were for professional use and 65 per cent for personal requirements, daily needs, local ceremonies, etc. About 40 per cent of the money was borrowed from agriculturist money-lenders, 51 per cent from non-agriculturist money-lenders and 9 per cent from the institutional credit agencies. In 1930 when the re-survey of this village was made, the census of the debt was taken for cultivators only. It indicated an incidence of over

1. As conditions in various parts of the district differ in respect of soil, the impact of caste and diverse climatic conditions, the description of the economic condition of village Bhadas would not apply except in general terms to the whole of the district.

Rs. 280 per indebted family. The loans ranged from interest-free debts to those carrying interest up to $37\frac{1}{2}$ per cent; non-agriculturist creditors accounted for 63 per cent of the loan, agriculturist for 12 per cent, whereas the remaining 25 per cent was from the Government and the institutional credit societies. The percentage of credit from the Government and the institutional credit agencies was the highest in the State due to rural uplift schemes in the district which succeeded to some extent in reducing the emphasis on expenditure for personal and social reasons. The numerous needs necessitating the incurring of debts outstanding in 1930 were as shown below¹ :

Causes of debt	Amount	Percentage to total
	(Rs.)	
Payment of land leases and land revenue	2,519	8.4
Taking land on mortgage	1,225	4.1
Purchase of land	500	1.7
Redemption of land	830	2.8
Purchase of seed, cattle fodder and setting up persian wheel (Rs. 130)	10,752	35.9
Building	1,000	3.3
Social observances	2,611	8.7
Litigation	—	—
Living expenses	10,141	33.8
Miscellaneous (well-repairs, Rs. 150; inherited debt, Rs. 250)	400	1.3
Total :	29,978	100.0

Other factors like general ignorance of the people, their improvidence, the habit of bartering particularly by women who often gave an equal weight of grain for worthless trinkets and social and religious ceremonies were also responsible for rural indebtedness.

1. *An Economic Survey of Bhadas, A Village in the Gurgaon District, 1936.* (Published by the Board of Economic Inquiry, Punjab.)

During the Settlement of 1938—43, it was estimated¹ that total debts of the district amounted to about four and a half crore rupees of which the amount of 1.5 crore was unsecured. Of the remaining amount, 87 per cent was secured by mortgage of property or occupancy rights, 7 per cent was taken for cooperative societies and 6 per cent from Government on account of *taccavi* loans. The highest number of land mortgage was in the Nuh and Ferozpur Jhirka tahsils where the Meos mortgaged their land extravagantly.

The usual interest charged by money-lenders was 2 per cent per month; if ornaments were mortgaged, the interest was reduced to 1.5 per cent per month. Even so the amount advanced was to the extent of half the value of the article. In the case of secured loans, no interest was charged if the mortgage was with possession and more than compensated the lenders for their apparent loss of interest. In the case of mortgage without possession, the interest charged varied from 12 per cent to 24 per cent per annum. The money-lenders were of two types, agriculturist and non-agriculturist. The latter comprised *sarafs*, *baniyas* and *sahukars*. Though the passage of the Punjab Alienation of Land Act, 1900 debarred *sahukars* from keeping possession of the land for more than 20 years, the *sahukars* replaced the non-agriculturists. The *sahukar* with the inability to accept his debtor of his property became more pliant and less exacting than his agriculturist counterpart. He got a promissory note executed for the amount advanced out of which one year's interest was deducted in advance.

The business of the money-lenders was regulated by the Punjab Registration of Money-Lenders' Act, 1938 and they were required to register themselves with the authorities for carrying on the business of money-lending. In 1976-77, there were 50 registered money-lenders in the district although the number of persons actually engaged in money-lending was much higher. In order to evade the law the money-lenders did not hesitate to indulge in malpractices and did most of their transactions either orally or by mortgaging ornaments.

GENERAL CREDIT FACILITIES

The credit requirements in agricultural and industrial sectors are increasing. Prior to Independence, the indigenous banking accounted for most of the borrowings. Although it still provides the bulk of the agricultural

1. *Final Settlement Report of the Gurgaon District, 1938—43*, p.10.

that the credit policy of the Government has been re-oriented to provide an alternative agency. Institutional credit system backed by adequate resources is combating indebtedness of the old type to an increasing extent.

Besides giving credit facilities in the form of *taccavi* loans and loans under the State Aid to Industries Act, 1935, the Government is promoting cooperative credit societies to discharge the responsibilities of development programmes particularly those in the agricultural sector. It is estimated that the share of the cooperatives in the total borrowings of farmers has gone up to 40 per cent. This happened in spite of the set-back between 1965 and 1967 caused by the severe drought.

In addition to the cooperative agencies, institutions like the Khadi and Village Industries Commission provide credit facilities in rural areas. The Government also advances *taccavi* loans for seed, cattle, or agricultural improvements under the Land Improvement Loans Act, 1883 and the Agriculturists' Loans Act, 1884.

The loans are also advanced for the promotion by the Haryana Financial Corporation, Chandigarh, which being on April 1, 1967 on re-organisation of the former Punjab Financial Corporation. It grants loans up to Rs. 30 lakh in the case of limited companies and registered cooperative societies and up to Rs. 15 lakh in other cases. It also gives foreign currency loans to industrial concerns for import of plant and equipment under World Bank Loan Scheme, where the cost of project does not exceed Rs. 1 crore. The details of loans sanctioned, disbursed and outstanding are given in Table XXV of Appendix.

JOINT STOCK BANKS

Banking in the Gurgaon district has made tardy progress till recently. In 1966, there were only 19 branches of various commercial banks functioning in the then district. Most of the Rewari tahsil was excluded from this district on its re-organisation on December 22, 1972. The number of branches of various commercial banks within the new delimitation of the district was 29 in 1969; it increased to 73 by March 31, 1975.¹ The major expansion took place after 1968, particularly after the nationalisation of fourteen banks on July 19, 1969. However, the opening of new branches by the commercial banks designed to ameliorate conditions in this regard was yet to play a dynamic

1. *Banking Statistics, Basic Statistical Returns, Reserve Bank of India, Provisional Results for June 1974*, p. N. 278.

role in the economy of the district. At present (December 31, 1976), 92 commercial banks are operating in the district. Among the various banks operating in the district, State Bank of India is having the largest number of branches, i.e. 17 branches (three at Palwal, two each at Gurgaon and Faridabad and one each at Ballabgarh, Firozpur Jhirka, Nuh, Badshahpur, Ujina, Dunda-hera, Manesar, Pinangwan, Sarai and Hathin), closely followed by Syndicate Bank with 15 branches (one each at Faridabad, Gurgaon, Sohna, Farrukh-nagar, Ballabgarh, Nuh, Firozpur Jhirka, Hodal, Taoru, Bamni Khera, Chha-insa, Dayalpur, Pataudi and Palwal) and Punjab National Bank with 6 branches (one each at Ballabgarh, Faridabad, Gurgaon, Hodal, Palwal and Mewla Maharajpur). The detailed list of Joint Stock Banks along with their branches operating in the district as on December 31, 1976, is given in Table XXVI of Appendix.

The total deposits mobilised by all the commercial banks in the then district was 5.59 crore in 1966. The deposits with the banks (functioning within the new delimitation of the district) which amounted to Rs. 8.50 crore in June 1969 increased to Rs. 28.65 crore by June 1974. This accounted for about 19 per cent of the total deposits of Haryana State, while the relative share in respect of advances given 10 per cent during the corresponding period 1969—74.¹

Some of the relative indicators of banking development in the district up to June 1974 are given below² :

Banking indicators	Gurgaon district	Haryana State	Indian Union
Deposits (Rs. lakhs)	2,865	15,102	10,71,354
Advances (Rs. lakhs)	3,062	10,642	8,08,944
Deposits per branch (Rs. lakhs)	39	39	64
Advances per branch (Rs. lakhs)	42	27	48
Per capita deposits (Rs.)	209	151	196
Per capita advances (Rs.)	224	106	148
Branches	73	390	16,812
Population per office (000's)	19	25	33

1. *Banking Statistics, Basic Statistical Returns, Reserve Bank of India, Provisional Results for June 1974*, p. N. 8.

2. Calculated from *Banking Statistics, Basic Statistical Returns, Reserve Bank of India Provisional Results for June 1974*.

It is evident that the per capita deposits and per capita advances are much higher than the State average as well as the averages for the country as a whole. Figures of deposits per branch are the same for the district and the State, but are lower than the national average. Advance per branch in the district is much higher than the State but slightly lower than the country as a whole.

Occupation-wise classification of outstanding credit (as on the last Friday of June 1974 of the scheduled commercial banks in the Gurgaon district, as given below¹, shows that the scheduled banks provided credit facilities mainly to the industrial sector (92.5 per cent). Agricultural and allied activities availed of barely 3.0 per cent, trade 1.9 per cent, while all the rest only 2.6 per cent of the total credit facilities :—

Occupation	Number of accounts	Outstanding credit (Rs.)	Percentage to total amount
Agriculture and allied activities	4,041	23,743	3.0
Industry	3,395]	7,34,757	92.5
Trade	1,140	15,598	1.9
Others	6,952	20,092	2.6
Total :	15,528	7,94,190	100.0

COOPERATIVE CREDIT

The cooperative movement started with the enactment of the Cooperative Societies Act, 1904 and the subsequent Act of 1912. Though ten societies were started in the beginning of 1907 in the then district of Gurgaon, none of these showed any prospect of successful development. Actually, the movement gained momentum with the subsequent Acts of 1954 and 1961. The progress made by the cooperative institutions in the district has been very impressive and these are even competing with the commercial banks in mobilising the savings of the people and also in providing credit, especially to the farming sector. These institutions also meet the credit requirements of small farmers under the Small Farmers' Development Agency Programme.²

1. *Banking Statistics, Basic Statistical Returns, Reserve Bank of India, Provisional Results for June 1974, p.N. 9.*

2. For details about the Small Farmers 'Development Agency Programme', see chapter on 'Agriculture and Irrigation'.

In 1971, there were 1,445 primary agricultural cooperative credit societies and 88 primary non-agricultural credit societies in the pre-organised Gurgaon district. The former included agricultural credit societies, agricultural multi-purpose societies and agricultural service societies. These provide adequate facilities for short and medium term credit for fertilizers, improved seeds, better implements, marketing and storage and extension of advanced agricultural techniques. The non-agricultural cooperative societies comprise urban banks, employees credit societies and other catering to the credit requirements of non-cultivating section of the population in urban and rural areas. Due to the amalgamation of unviable societies in 1972, there were 1,447 primary agricultural cooperative credit societies and 85 primary non-agricultural credit societies but on reorganisation of the district, 322 agricultural and 17 non-agricultural societies were transferred to the Mahendragarh district leaving behind 1,125 agricultural and 68 non-agricultural societies as on June 30, 1973. Thereafter, in the subsequent years, though decrease in the number of societies was normal up to 1975, there was a tremendous decrease in their number subsequently. In the re-organisation of the societies that followed, all the societies functioning in a patwar circle were amalgamated to form only one society in each patwar circle also called 'mini bank'. Their number thus increased from 1,054 in 1975 to 443 in 1976.

This was a great achievement in the history of the cooperative movement. Managers were appointed by the Central Cooperative Bank, Gurgaon and work of all these societies was streamlined. These were placed on a sound footing to meet the credit requirements of the members. This recorded a marked improvement in the increase in membership, working capital and loan advancement from year to year. This is indicated when we compare the improvement in the year 1976-77 to that of 1975-76. Membership increased from 1,13,923 to 1,27,286, working capital from Rs. 532.89 lakh to Rs. 754.98 lakh, loan advancement from Rs. 366.94 lakh to Rs. 642.461 lakh and deposits from Rs. 11.41 lakh to Rs. 11.64 lakh. As regards non-agricultural credit societies on June, 30, 1971, there were 88 non-agricultural credit societies in the district. Of these, 27 were exclusively for Harijans. After re-organisation of the district in December 1972, the number of these societies was 68 in 1973 but decreased to 63 in 1975. Some of the societies were small in size and financially weak. Two or more such societies were, therefore, amalgamated into one to make them viable units. This explains the decrease in the number of societies in 1975.

The number, membership and working of agricultural and non-agricultural credit societies are given in Tables XXVII and XXVIII of Appendix,

Central Cooperative Banks.—There were two central cooperative banks functioning in the district. The Brayne Central Cooperative Bank Ltd., Rewari, established in October 1922, covered the Rewari tahsil. Its branches were opened at Hailey Mandi, and Bawal in 1965, Dharuhera in 1970, Jatusana in 1971 and Kund in 1972. The Gurgaon Central Cooperative Bank Ltd., Gurgaon, established in 1919, operated in the remaining portion of the district. It had eight branches in the district in 1971, which were functioning at Firozpur Jhirka in 1940, Nuh in 1945, Ballabgarh in 1954, Palwal in 1960, Hathin and Faridabad in 1969, Sohna in 1970 and Hodel in 1971. Most of the Rewari tahsil having been excluded from the Gurgaon district on its re-organisation on December 22, 1972, the Rewari bank along with its branches now functions in the Mahendragarh district except the Hailey Mandi Branch which was transferred to the Gurgaon bank on April 1, 1973.

The cooperative banks issue short and medium term loans to the individual members through societies and provide financial accommodation to affiliated cooperative societies for seasonal agricultural operations and marketing of crops. Some relevant information relating to the Gurgaon bank for years 1967—77 is given below :

Year	Share Capital	Deposits	(Rs. in lakhs)
	(Rs.)	(Rs.)	Advances (Rs.)
1967	17.26	89.53	150.41
1968	20.97	103.96	97.38
1969	25.13	93.48	131.04
1970	31.87	121.14	192.37
1971	42.08	135.09	207.58
1972	53.05	167.30	213.57
1973	69.23	208.71	397.15
1974	78.50	227.71	442.48
1975	90.08	248.22	487.14
1976	103.64	292.95	485.78
1977	115.50	327.05	718.35

It is evident from the above table that the Gurgaon Central Cooperative Bank was successful in mobilising more than Rs. 327 lakh in 1977 as deposits against 90 lakh in 1967, thus accounting for an increase of 263 per cent over the period. Its performance in the field of credit disbursement was better as the amount of advances was almost double the amount of deposits. With regard to the share capital, there has been a gradual increase since 1967.

The Gurgaon Primary Land Development Bank Limited, Gurgaon.—This bank was established in 1962 to promote the economic interest of its members by providing long term credit facilities on the security of immovable property. Such facilities had not been provided to the farmers by other cooperative credit institutions. In the beginning its area of operation covered the Gurgaon and Mahendragarh districts. In 1964, a new bank was established at Mahendragarh and the assets and liabilities of the members belonging to the Mahendragarh district were transferred from the Gurgaon bank to the Mahendragarh bank. Thereafter, new branches were set up at tahsil level at Palwal, Ballabgarh, Rewari¹ in 1968 and at Nuh in 1970. The area of operation of the Gurgaon bank now confines to the Gurgaon tahsil only. Nuh bank covers both the tahsils of Nuh and Firozpur Jhirka.

The following statement shows the progress achieved by the Primary Land Development Bank, Gurgaon and its branches in the district during 1969-70 to 1976-77 :—

Year	Branches (Number)	Membership (Number)	Share capital (Rs. in lakhs)	Loan advanced (Rs. in lakhs)
1969-70	5	5,818	15.06	96.37
1970-71	5	7,689	21.15	109.61
1971-72	5	9,727	27.51	119.53
1972-73	4	12,335	29.15	140.58
(New district)				
1973-74	4	12,135	36.31	122.42
1974-75	4	13,929	42.86	134.29
1975-76	4	14,479	48.04	131.61
1976-77	4	16,307	59.74	197.32

1. Attached to the Mahendragarh district after re-organisation of the Gurgaon district,

In June 1969 (before the reorganisation of the district in December 1972), there were five branches of the bank with a membership of 5,800 persons which increased to 7,690 in June 1971. After its reorganisation, the number of branches came down to four and their membership stood at 12,135 in 1973-74 and 16,307 in 1976-77. Up to March 31, 1977, the share capital of these branches was about Rs. 60 lakh and the amount of loan advanced was more than Rs. 197 lakh.

INSURANCE

Prior to 1956, there were agencies of the various private insurance companies transacting life insurance business besides business relating to fire, marine and miscellaneous classes of insurance. With the nationalisation of the life insurance in 1956, only general insurance remained in the private sector. The Life Insurance Corporation (L.I.C.) also entered the field of general insurance in 1964. The general insurance too was nationalised in 1971.

Although the L.I.C. took up the life business in 1956, it established its branch office at Gurgaon in September 1958. Its sub-offices were opened at Rewari¹ and Palwal in 1961 and 1962 respectively. The sub-office at Rewari was closed in 1967 and was merged with the Gurgaon Branch. The Palwal sub-office was shifted to Faridabad in 1964, and was upgraded as Branch Office. The business secured by the L. I. C. in the district during 1964-65 to 1974-75 is given below :

Year	Life business		General business	
	Policies	Sum assured	Cases	Premium income
	(Number)	(Rs.)	(Number)	(Rs.)
1964-65	4,411	2,13,60,000	124	82,183
1965-66	5,076	2,52,78,250	409	2,11,785
1966-67	3,696	2,06,60,750	507	1,80,472
1967-68	411	2,09,31,500	487	2,65,952
1968-69	3,336	2,29,20,000	344	1,00,076
1969-70	3,972	2,89,12,750	490	1,14,628
1970-71	3,631	2,97,00,500	568	65,703
1971-72	4,704	4,19,34,500
1972-73	6,624	6,31,83,000
1973-74	5,629	6,11,86,250
1974-75	4,427	4,82,02,000

1. In the Mahendragarh district since December 22, 1972.

SMALL SAVINGS

Various schemes like Post Office Savings Bank and Cumulative Time Deposits, 12-Year National Defence Certificates, 10-Year Defence Deposits Certificates, 15-Year Annuity Certificates, 10-Year National Savings Certificates, 5-Year Fixed Deposits are in vogue all over the country. These are intended to instil the saving habit among the people and to mobilise resources for a developing economy.

A large number of post offices,¹ scattered all over the district, mobilise middle class savings in rural as well as in urban areas. Banking facilities are virtually extended to everybody's door-step through Post Office Savings Bank. In 1961, there were 184 Post offices of all types doing saving bank work and this number went up to 276 by March 31, 1971. On the reorganisation of the Gurgaon district on December 22, 1972, the number of post offices in the district decreased to 195. This number rose to 199 by December 31, 1975. The following table giving the number of savings bank accounts and the total amount invested during 1963-64 to 1976-77 shows the rapid progress made in mobilising small savings :—

Year	Number of savings bank accounts	Amount of credit
		(Rs.)
1963-64	41,142	2,47,27,000
1964-65	43,701	2,55,88,215
1965-66	46,081	3,15,17,262
1966-67	48,225	3,46,21,941
1967-68	54,468	3,98,17,806
1968-69	62,562	4,59,32,053
1969-70	68,853	4,91,38,938
1970-71	63,263	9,20,26,000
1971-72	68,525	8,30,96,861
1972-73	71,601	8,61,45,338
New District		
1973-74	89,120	15,04,89,293
1974-75	12,101	..
1975-76	16,272	..
1976-77	31,674	..

1. For details about post offices, see Chapter on 'Communication'.

Gross collections under small savings schemes during 1963-64 to 1976-77, as given below, show an appreciable increase. The fall in net collections is explained by withdrawals during each year :

Year	Total gross collections	Total net Collections
	(Rs.)	(Rs.)
1963-64	1,51,26,329	22,62,588
1964-65	1,64,43,963	19,50,119
1965-66	2,24,27,828	67,26,234
1966-67	2,52,93,271	28,84,297
1967-68	2,89,94,289	40,95,597
1968-69	3,54,18,039	51,28,291
1969-70	3,48,50,000	1,93,000
1970-71	9,36,58,000	5,14,36,000
1971-72	8,93,05,381	(—)1,74,35,661
1972-73	10,43,55,500	4,21,90,349
(New District)		
1973-74	15,07,00,444	4,11,92,820
1974-75	13,61,95,523	(—)8,37,63,623
1975-76	3,60,86,658	(—)73,38,974
1976-77	3,71,75,309	33,14,237

CURRENCY AND COINAGE

In the beginning the people, in rural areas in particular, had some misgivings about the utility of decimal coinage introduced in 1957 but they have steadily got used to it. Conversion tables, placed at all the places of money transactions made things easy for them. A conversion factor has been given in Table XXIX of Appendix. The prefix 'naya' or 'naye' in the designation 'naya paisa' or 'naye paise' was dropped on June 1, 1964.

TRADE AND COMMERCE

During the 19th century, the surplus grain of the district was collected in the local grain markets from where it was exported to different places in the country. The principal grain markets were Nuh, Sohna, Firozpur Jhirka, Palwal, Hodal and Faridabad. The produce was exported to Agra, Mathura and Delhi by road; to Delhi, Alwar, Bombay and Gujarat by rail and to Agra by the Agra Canal. Besides, camels were pressed into service for carrying trade with the nearby markets of Rajasthan.

The exports of the district comprised cotton, salt and quarried slate. Firozpur Jhirka was an emporium for cotton which was grown in the Firozpur Jhirka, Nuh and Palwal tahsils. It was exported to Mathura, Agra, Kanpur and Lucknow in Uttar Pradesh by road. It found a good market in Rewari where it was manufactured into superior fabrics and exported to Delhi and Rajasthan. The salt from Farrukhnagar was exported to the North Western Provinces and Rohilkhand.¹

The imports of the district included rice from Patna (Bihar) and Bengal, salt from Sambhar (Rajasthan) and Lahore (now in Pakistan) and sugar from Uttar Pradesh.

The opening of Delhi-Agra railway in 1904 reduced the importance of Firozpur Jhirka as a market while the trade of Faridabad, Palwal and Hodal increased, of the latter two due to the establishment of cotton mills.

The position regarding the export of barley remained the same as the production of this commodity went on increasing day by day. The crop of *mehndi* is grown in the areas of Faridabad (tahsil Ballabgarh) and around village Hasanpur in Hodal Block (tahsil Palwal). Its cultivation increased with the provision of irrigation facilities and this led to the establishment of more and more *mehndi* grinding mills. Fifteen such units were in this trade at Faridabad during 1977. A portion of the crop is ground and despatched to various places in the country and to Turkey, Syria, Iraq and Afghanistan where, as in India, it is used as a hair-dye and for colouring the hands and feet. A portion of the crop in the form of dry leaves is exported to France and U.S.A. for extraction of scent and manufacture of dyes. Till now, there has been no

1. The present identification of the regions of old North Western Provinces is Pakistan and Punjab (India). Bareilly, Bijnor, Budaun, Moradabad, Shahjahanpur, Pilibhit and Rampur districts, and the Kichha and Khatima tahsils of the Nainital district of Uttar Pradesh comprised Rohilkhand.

effort here to utilise these leaves for industrial purposes by way of extraction of scent or manufacture of dyes. For this reason it seems that there is ample scope for the installation of a *mehndi* crushing and extraction plant on medium-scale basis at Faridabad. Other crops like wheat, gram, *bajra*, *jowar*, oil-seeds, etc., are also grown in the district as detailed in the Chapter on 'Agriculture and Irrigation'. The trade in cattle fodder has increased. Previously, fodder was imported from outside. The area under fodder crops in the district increased from 34,288 hectares in 1961-62 to 57,457 in 1970-71, and in the reorganised district, in 1976-77, the area under fodder crops was 41,431 hectares. The production of grapes has comparatively increased. Although it is not sufficient for local consumption, it is marketed to Delhi as well. With the increase in potato production, seven cold storage plants with a storage capacity of about 1,11,973 quintals have been established in the district.¹ Its seed is exported to Patna and other places.

The trade in the export of building material did not lag behind as it was available on a large scale at the Gurgaon-Delhi border (Badarpur and its surrounding areas). China clay and slate are also available in sufficient quantities and exported to other States on a commercial basis. With the increase in transport and communications facilities in the district, Ballabgarh and Faridabad towns have assumed special importance as a large number of big industries based on agriculture have been set up there.² The following table gives town-wise details about the import and export of three most important commodities :—

Town 1	Commodities imported 2	Commodities exported 3
Ballabgarh	Rice Cotton Cement	Wheat Oil Mustard seed
Faridabad old	Foodgrains Chemicals <i>Khandsari</i>	
Faridabad Township	Leather Cotton	Leaf spring Bicycle parts Automobile parts

1. For more details, see chapter on 'Agriculture and Irrigation'.

2. For details, see chapter on 'Industries'.

1	2	3
Farrukhnagar	Gur Sugar Oil-seeds	Wheat Barley Gram
Firozpur Jhirka	Flour Millet (<i>Bajra</i>) Rice	Mustard seed Gram <i>Arhar</i>
Gurgaon	Mustard seed Gur Unfinished optical glasses	Optical glasses Rubber goods Edible oil
Hailey Mandi	Cotton seed Gunny bags Building material	Foodgrains Red chilly Rape seed
Hodal	Timber Stone Ghi (<i>vanaspati</i>)	Pulses Wheat Barley
Nuh	Gur Rice Wheat	Mustard seed Gram Barley
Palwal	Sugar Cloth General merchandise	Mustard oil Gur Milk
Pataudi	Iron Foodgrains General merchandise	<i>Bhusa</i> Red Chilly Vegetables
Sohna	Gur, Cotton seed Rice	Barley Mustard oil Millet (<i>Bajra</i>)

Regulated markets.—An efficient system of marketing of farm produce plays a vital role in the economic development of a predominantly agricultural area.

Incentive in the form of assurance of a ready market and a remunerative price for all that the farmer produces are essential in order to enthruse him to produce more. Accordingly, the Punjab Agricultural Produce Markets Act, 1961, was passed which provided for the establishment of markets for agricultural produce. Each village of the district has been attached with one market or another and the provisions of the Act are applicable to the whole of the area where transactions, delivery and weighment are done. Each market has a principal market yard besides some sub-market yards in the town itself or in the adjacent villages. Some of the sub-market yards are occasionally prescribed for special commodities to facilitate smooth working. The Gurgaon district has a unique advantage from the marketing point of view because of its nearness to Delhi.

In 1976-77, there were 11 regulated markets in the Gurgaon district. Market Committees are constituted for these markets and these comprise representatives of the area. Some important details about these regulated markets are given below :

Serial number	Regulated market and the year in which regulated	Sub-market yard	Main arrivals
1	2	3	4
1.	Palwal (1941)	Nil	Wheat, gram, barley, mustard oil, <i>gur</i> , <i>shakkar</i> and <i>mattar</i>
2.	Ballabgarh (1950)	(i) Fatehpur (ii) Biloch	Wheat, gram, barley, mustard, <i>gur</i> , <i>bajra</i> , <i>jowar</i> , <i>khandsari</i> and maize
3.	Pataudi (Hailey Mandi) (1962)	Nil	Wheat, barley, gram, <i>jowar</i> , <i>bajra</i> , <i>sarson</i> , <i>toria</i> , red chilly and red rape
4.	Hodal (1950)	Hasanpur	Wheat, gram, <i>sarson</i> , barley and <i>gur</i>
5.	Nuh (1953)	Hathin	Wheat, gram, barley, mustard seed, <i>bajra</i> , <i>sarson</i> , <i>moong</i> , <i>gur</i> and <i>shakkar</i>

1	2	3	4
6. Sohna (1955)	Badshahpur	Wheat, gram, barley, mustard oil, <i>sarson</i> and <i>bajra</i>	
7. Gurgaon (1962)	Farrukhnagar		
8. Faridabad (1962)	Faridabad Township	<i>Mehndi</i>	
9. Firozpur Jhirka (1966)	(i) Pinangwan (ii) Nagina	Wheat, gram, barley mustard seed, <i>sarson</i> , <i>taramira</i> , <i>jowar</i> and <i>bajra</i>	
10. Taoru (1971)	Nil	Wheat, gram, barley, <i>bajra</i> , <i>sarson</i> , <i>moong</i> , <i>gur</i> and <i>shakkar</i>	
11. Punahana (1971)	Nil	Wheat, gram, <i>sarson</i> , barley and <i>gur</i>	

It is estimated that more than 90 per cent of the agricultural produce of the district is brought to these regulated markets. The year-wise details of the arrivals of main commodities handled by the market committees of the district during the period 1961-62 to 1976-77 are given in Table XXX of Appendix. It is estimated that the total income from these markets which was about Rs. 9 lakh in 1967-68 increased to about Rs. 22 lakh in 1970-71¹ and Rs. 47.5 lakh in 1976-77 in the reorganised district, as shown below :

Regulated market 1	Income (Rs. in thousands)				
	1967-68 2	1970-71 3	1974-75 4	1975-76 5	1976-77 6
Gurgaon	52.8	98.2	362.9	488.1	605.9
Sohna	30.2	82.0	482.3	335.4	305.4
Rewari	162.2	493.2			

1. *Report of the Lead Bank Survey : Gurgaon District* (Prepared by Economic Research Department, Syndicate Bank, Manipal), 1972, p. 167.

1	2	3	4	5	6
Pataudi	97.6	249.6	101.9	299.2	729.0
Firozpur Jhirka (including Punahana)	23.6	41.3	236.2	340.0	397.1
Nuh	41.3	256.2	145.8	214.7	248.6
Palwal	345.2	565.4	441.5	604.2	664.8
Hodal	108.5	196.6	448.9	594.9	612.6
Ballabgarh	40.3	97.3	129.6	202.5	321.1
Faridabad	51.5	122.5	283.4	351.9	437.6
Taoru	..	74.6	241.3	312.9	434.5
Total :	953.2	2,276.9	2,873.8	3,743.8	4,757.2

The produce is handled in large quantities and specialised operators perform different services. The sellers receive prompt payment of the sale proceeds from the commission agents in cash or by hundis. These provide a system of competitive buying, eradicate malpractices, ensure the use of standardised weights and measures and provide storage facilities. From the mandis, the goods are despatched by traders to other consuming markets. Uniform market rates have been prescribed in all the market committees. The market charges, with the exception of some incidental charges are paid by the buyer.

FAIRS

Fairs held in the Gurgaon district are chiefly religious in character and none of them has any commercial importance except the cattle fairs. The most important religious fairs are Mela Masani Mata at Gurgaon and Baldev Chhat at Ballabgarh and Palwal. These have been described in the Chapter on 'People'. The cattle fairs are held at the following places on the dates¹ according to the Vikrami Samvat mentioned against each :—

Name of Place 1	Tahsil 2	Dates 3
Badshahpur	Gurgaon	(i) Magh Badi Ekkam (ii) Sawan Badi Amavas (iii) Asuj Sudi Duadshi

1. As the dates of fairs are determined according to Vikram Samvat, these do not remain the same every year according to the Gregorian Calendar.

1	2	3
Pataudi	Gurgaon	(i) Phagun Badi Ekkam (ii) Jeth Badi Pancham (iii) Sawan Badi Ekkam (iv) Bhadon Sudi Dasmi (v) Asuj Sudi Chhatt (vi) Maghar Badi Chodash
Patli	Gurgaon	Bhadon Badi Tirodshi
Hajipur	Palwal	(i) Phagun Sudi Saptami (ii) Ashad Badi Panchami (iii) Bhadon Sudi Duj
Torru	Nuh	(i) Ashad Sudi Ashtami (ii) Asuj Sudi Teej

Good quality cows, oxen, buffaloes and camels are brought to these fairs for sale. Most of the transactions relate to camels and bulls. Traders from Uttar Pradesh, Bihar, Delhi and Madhya Pradesh gather here to find their best buys.

The cattle fairs used to be organised by the respective Panchayat Samities and Municipal Committees. Their control and management was taken over by the Government (in the Development and Panchayat Department) on November 24, 1970. Access, charged at the rate of 3 paise per rupee on the sale price is paid by the purchaser. The income from the fairs is apportioned between the Panchayat Samitis and the Government in the ratio of 80:20. The Panchayat Samitis spend this money on the welfare and development of cattle wealth. The income accrued and expenditure incurred at these fairs during 1970-71 to 1976-77 was as follows :—

Year 1	Income 2	Expenditure 3
	(Rs.)	(Rs.)
1970-71	2,65,478	19,164
1971-72	2,08,067	18,749
1972-73	3,12,174	21,948

1	2	3
<hr/>		
NEW DISTRICT		
1973-74	2,14,068	10,969
1974-75	2,91,586	15,575
1975-76	2,32,692	14,429
1976-77	3,93,820	18,422

COOPERATION IN TRADE

The District Wholesale Cooperative Supply and Marketing Society Limited, Gurgaon, conducts wholesale business in supplies of agricultural seeds, sugar, oils, fertilizers, insecticides and agricultural implements. Besides, there are the following 8 cooperative marketing and marketing-cum-processing societies in the district :—

1. The Sohna Cooperative Marketing Society Limited, Sohna
2. The Pataudi Hailey Mandi, Cooperative Marketing Society Limited, Pataudi
3. The Ballabgarh Cooperative Marketing Society Limited, Ballabgarh
4. The Palwal Cooperative Marketing Society Limited, Palwal
5. The Hodal Cooperative Marketing Society Limited, Hodal (under-winding up process)
6. The Nuh Cooperative Marketing-cum-Processing Society Limited, Nuh
7. The Firozpur Jhirka Cooperative Marketing Society Limited, Firozpur Jhirka
8. The Taoru Cooperative Marketing Society Limited, Taoru

The membership of these marketing societies consists of primary societies and individual members. The membership, share capital and working capital

of these marketing societies in the district were as under in 1976-77 :

Nature of society	Number	Membership	(Rs. in lakhs)	
			Share capital	Working capital
			(Rs.)	(Rs.)
District wholesale society	1	658	2.07	16.76
Marketing society	5	2,850	5.49	58.38
Marketing-cum-processing society	3	1,929	2.88	16.35

Consumers Cooperative Stores.—In 1965, the Faridabad Central Co-operative Consumers Store Ltd., New Industrial Township, Faridabad was opened under a scheme sponsored by the Government of India. The object was to ensure the regular distribution of consumer goods (controlled as well as non-controlled) in order to check the rising trend of prices. In 1966, two Co-operative Primary Consumers Stores were opened at Palwal and Gurgaon. The Central Co-operative Consumers Store was opened at Gurgaon in February 1974. Even in its infancy, the Gurgaon store attracted a handsome number of 1,361 members as on June 30 with a share capital of Rs. 0.50 lakh. These stores perform an important function by making available to the consumers their daily requirements like sugar, rice, kerosene oil, bicycle tyres and tubes, safety razor blades, battery cells, vegetable ghee, wheat atta etc., at reasonable rates. The progress as regards membership, owned fund and working capital of these stores has been as under :

Year	Number of stores	Membership	(Rs. in lakhs)	
			Owened funds	Working capital
			(Rs.)	(Rs.)
1970-71	1	5,631	2.01	3.20
1971-72	1	5,649	3.95	7.94
1973-74	2	7,676	4.92	9.40
1974-75	2	8,576	5.89	13.18
1975-76	2	8,262	7.92	18.74
1976-77	2	8,291	11.94	17.36

STATE TRADING

Fluctuation in the prices of foodgrains necessitated the adoption of State trading in wheat and other essential commodities. This helped to maintain a price level which was fair both to the producers and to the consumers. The extent of procurement basically depended on the extent of production.¹

For the purpose of distribution of foodgrains and other essential commodities, the Government started a net-work of fair price shops in urban and rural areas. There were 615 fair price shops (206 in urban areas and 409 in rural areas) on March 31, 1977. Such shops were scattered all over the district.

WEIGHTS AND MEASURES

There was no uniform standard of weights and measures in the State prior to 1941, so much so that even in the same district, it varied from village to village and a seer ranged from 40 to 102 tolas in weight according to usage. Owing to increase in commercial and industrial activities in the country, this chaotic situation created a sense of uncertainty in trade because of fraudulent practices of the traders. To remedy this evil that the Punjab Weights and Measures Act, 1941 which in itself was a corollary to the Central Standards of Weights Act of 1939, was enacted.

To bring uniformity and to introduce a standardised system of weights and measures in the country, the metric system was introduced in 1958. However, to obviate hardship to the public, a transitory period of two years was allowed permitting use of weights and measures in vogue immediately before the enforcement of the Act. Gradually people came fully conversant with new weights and measures and experienced no difficulty.

The Inspectors, Weights and Measures with their headquarters at Gurgaon, Palwal and Faridabad, verify weights, scales, etc., used for trade purposes. They visit shops and markets and ensure the use of authorised weights and measures of metric equal units.

STORAGE AND WAREHOUSING

In villages, people store their produce in their houses, *kothas* (bins) or in bags. In markets, the commission agents and cooperative marketing

1. For details about procurement, see Chapter on 'Other Departments'.

BANKING, TRADE AND COMMERCE

societies maintain godowns. The mills and factories maintain godowns in their own premises to stock the requisite raw material.

There was no organised system for the storage of grains and the godowns maintained by private dealers were generally not of proper specification. To make available better warehousing facilities, the Agricultural Produce (Development and Warehousing Corporations) Act, 1956, was passed and later replaced by the Warehousing Corporation Act, 1962. The Haryana Warehousing Corporation was established under the later Act, on November 1, 1967. The corporation was authorised to acquire and build godowns and run warehouses for the storage of agricultural produce and other notified commodities.

The corporation is running four warehouses at Palwal, Haryana, Pataudi and Taoru. The corporation has constructed its own storage capacity of 2,000 metric tonnes each at Hodal and Palwal. The warehouses at Pataudi and Taoru are in hired godowns. The godowns of 3,500 metric tonnes at Palwal, 5,000 metric tonnes at Pataudi and 3,000 metric tonnes at Taoru are under construction. Godowns from private parties have also been hired at these places to meet the growing demand for storage.

Bins and cold storage are also opened in the private sector for storing agricultural and other goods. Some of the well-known cold storages are : Zamindara Cold Storage, Gram Ajrona (Faridabad) ; Paras Cold Storage, Mathura Road, Faridabad ; Associated Industries Cold Storage, Faridabad ; Ajrona Cold Storage, Mathura Road, Faridabad ; and Laxmi Cold Storage, Ballabgarh.