CHAPTER VI.

BANKING, TRADE AND COMMERCE.

HISTORY OF INDIGENOUS BANKING IN THE DISTRICT.

Before the introduction of the modern banking system in this district people both in the rural and urban areas normally invested their savings in land, ornaments and cattle. The dignity and status of a family were judged more by his landed property. People also used to keep money buried for its safety. This facility was available to the people because money was, in earlier days, mostly in coins. The savings invested in land and cattle proved a good source of income.

The money-lenders used to advance money at a very exorbitant rate of compound interest. The usual result was that the debtor was unable to repay the principal and the interest and had to part with some of his property to satisfy the creditor. Ultimately a stage was even reached when the debtor lost most of his property.

There were also other methods of borrowing money. They were through (*i*) handnotes, (*ii*) mortgage of property, and (*iii*) *Zarpesgi* or *Sood Bharna*. Handnotes still continue to be the means for taking loans. When the loanee was literate, there was little chance of bungling except that sometimes a loanee in distress had to make out a handnote for a larger amount than what he actually received. When the loanee was illiterate he was advanced a loan on giving thumb impression on blank paper which was filled in later on by the creditor. In the case of mortgage, the land mortgaged continued to be in the possession of the debtor and the interest on the loan was compoundable usually every half-year. The amount actually received might be less than what was stipulated in the mortgage deed but the debtor had to pay the stipulated capital along with the interest thereon. The debtor was occasionally not in a position of repaying the loan and the property mortgaged eventually passed into the hands of the creditor. The third method of *Zarpesgi* or *Sood Bharna* was that the land mortaged immediately passed into the hands of the creditor for enjoyment and the debtor was liable only to pay the principal. After the stipulated period, the debtor could repay the amount of *Zarpesgi* and get back his land. The creditor had the advantage of enjoying the produce of the land till it was redeemed. The profit due to this use of the land by the creditor was taken as the repayment of interest on the loan hence this arrangement was called *Sood Bharna* also.

A third kind of indebtedness arose due to paucity of warm clothing like blankets, etc., during the winter months. This was generally taken advantage of the foreigners like *Kabuliwalas* who used to sell woollen and cotton blankets, *chaddars* and clothing to the poorer people of the district at exorbitant prices payable in the month of *Baisakh* of every year. These types of indebtedness still continue.

In the urban areas the system of lending and borrowing was on a more organised basis. There were regular *gaddis* of the *mahajans* in the district for lending and borrowing and also issuing and cashing *hundis* (bill of exchange). The lendings and borrowings were at a rate of interest which were not as exorbitant as in the rural areas. The rates varied and were higher if the loan was unsecured. The usual security was in the shape of ornaments or lands or houses. For commercial transactions, there were *gaddis* of some important commercial houses at Arrah, Sasaram and Buxar. The *gaddis* belonged to some of the affluent Sahu families and to some of the prominent landlords and their *hundis* were respected in other districts as well. Money was also borrowed from some of the prominent *mahajan* of Banaras.

The agency of the *Kabuliwalas* for advancing loans still continues. It is only the low-paid Government servants, school masters and poorer people who cannot hope to get unsecured loan from other sources, take loans from these persons. The rate of interest usually charged by the *Kabuliwalas* is two annas per rupee per month. But these *Kabuliwalas* try their best to realise their interest only on the pay day of every month and avoid taking their principal. If necessary, they resort to abuse and even physical force to realise it.

Francis Buchanan in his "An Account of the District of Shahabad (1912-13)" has mentioned that there were agricultural banking establishment in the district. The bankers persuaded the land-holders to make a nominal sale to them of large parts of their estates and to retain only certain parts, on which most of the revenue was contrived to be thrown. These parts were afterwards allowed to be sold for arrears and no one would offer.

He further mentioned that Baidyanath, a banker of Patna and Sagar Lal of Arrah were big *mahajans* and they had procured their property by questionable means.* The number of native banks had increased at the time of W. W. Hunter (1877) but no European bank had any branch in Shahabad district.

Regarding money-lending W. W. Hunter has mentioned that the rate of interest in petty loans, when the borrower pawns some small article (such as an ornament or household vessel), was even

* *An Account of the District of Shahabad in* 1812-13 by Francis Buchanan published by Bihar and Orissa Research Society, Patna, 1934, page 386.

24 per cent per annum. In large transactions, or when a mortgage was given upon houses or lands, the rate was 12 per cent. For petty advances to the cultivators, the rate varied, with the necessity of the borrower, from 24 to 28 per cent per annum.

He further mentioned that money-lending was conducted not only by the village shopkeepers and grain merchants but also by the land-owners. Ninety per cent of the cultivating classes were supposed to be in debt, and unless some radical change was made in their relations with the land-owners, they were never likely to free themselves from the burden.*

GENERAL CREDIT FACILITIES, INDEBTEDNESS, RURAL AND URBAN.

General credit facilities now available in the district are normally the professional money-lenders, agriculturist money-lenders, richer relatives, traders, co-operative, ex-landlords and lastly the State.

Generally, it may, however, be said that indebtedness is almost a normal feature in the economy of the average family of the common man. The middle class which forms the backbone of the society is the hardest-hit in the present set up and the incidence of indebtedness in that class is quite high.

The need of credit of the common man in the district was usually met by the *mahajans* and the Zamindars at a high rate of interest. A few years before, these *mahajans* and Zamindars were profiteering in money-lending business with their high rate of interest varying from 18 to 36 per cent per annum. The private money-lenders and generally the old *mahajan* families have been known to advance paddy seeds or money for it in *Kharif* transplantation season to the poor cultivators at a rate of even 50 per cent interest. Registration of sale or mortgage deeds for borrowing money is common and their figures will give some idea of the trend of indebtedness. The following table indicates the number of sale or exchange or mortgage and other in the last six years:—

Year.	Sale or Exchange deeds. Total no.	Sale or Exchange deeds. Value in rupees.
1957	26,251	2,30,40,981
1958	30,360	2,75,54,714
1959	31,390	2,86,04,494
1960	39,242	3,70,13,174
1961	36,051	3,61,92,055
1962	31,867	3,32,24,332

* *Statistical Account of Bengal, Volume XII* (Gaya and Shahabad) by W. W. Hunter published in 1877, page 269.

Year.			Mortgage. Total no.	Value in rupees.
1957	..	..	8,935	1,29,53,203
1958	..	..	23,588	1,64,91,769
1959	..	..	19,535	1,43,47,614
1960	..	..	24,161	2,06,57,493
1961	..	..	23,643	2,17,54,260
1962	..	..	19,211	1,93,21,592

Year.			Other kind of deeds. Total no.	Value in rupees.
1957	..	..	3,468	30,96,725
1958	..	..	4,306	39,93,935
1959	..	..	4,153	45,53,602
1960	..	..	5,875	50,52,329
1961	..	..	6,410	61,30,040
1962	..	..	5,783	63,99,057

To safeguard the interest of the borrowers the Money-lenders Act, 1938 was passed. The main object of the Act was to check the rising tendency of the interest and thereby to grant relief to the debtor. This Act was made applicable to the Shahabad district. This Act was followed by another Act known as the Bihar Money-lenders (Regulation of Transactions) Act, 1939 according to which "no court shall, in any suit brought by a money-lender in respect of a loan advanced after the commencement of this Act, pass a decree for interest at rates exceeding nine per cent per year in the case of a secured loan and twelve per cent per annum in the case of an unsecured loan, an agreement entered into by a debtor for the payment of compound interest realised cannot be greater than the amount of loan advanced."*

This Act makes it obligatory for a money-lender to register himself and obtain a license for his business. He has to maintain regular account books and to furnish each debtor periodically a signed statement of accounts in respect of each loan transaction showing the outstanding amount of the principal and the interest and the amount of every payment received from the debtor. Penalties are provided for breaches.

* *The Bihar Code*, Vol. IV, page 120.

The following chart gives the number of the licensed money-lenders of the district from 1952-53 to 1961-62:—

Year.			At the beginning of the year. Urban	Rural.
1952-53	..	..	9,266	Nil
1953-54	..	..	2,261	5,641
1954-55	..	..	2,767	6,572
1955-56	..	..	2,193	7,169
1956-57	..	..	2,298	7,966
1957-58	..	..	2,228	8,491
1958-59	..	..	2,039	9,213
1959-60	..	..	2,334	10,410
1960-61	..	..	2,637	11,423
1961-62	..	..	2,795	12,212

Year.			At the close of the year. Urban	Rural.
1952-53	..	..	2,261	5,641
1953-54	..	..	2,266	6,572
1954-55	..	..	2,193	7,159
1955-56	..	..	2,298	7,966
1956-57	..	..	2,228	8,491
1957-58	..	..	2,039	9,213
1958-59	..	..	2,416	10,695
1959-60	..	..	2,516	11,288
1960-61	..	..	2,795	11,212
1961-62	..	..	3,187	12,545

The following families carried on money-lending business of Rs. 10,000 and above during the year 1960-61*:—

Serial no.	Name of families.	Places where business were carried on.
1	Srimati Bhari Devi, W/o Sri Mahadeo Prasad Sharma	Arrah town.
2	Sri Ram Balak Singh, S/o Sri Palal Singh ..	P.O. Kasap, Shahabad.
3	Sri Rudal Prasad Rai, S/o Sri Ajan Rai ..	Sasaram.
4	Srimati Ramdulari Upadhyay, W/o Sri Badri Nath Upadhyay.	Jagdishpur.

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

Serial no.	Name of families.	Places where business were carried on.
5	Sri Ram Khelawan Singh, S/o Late Sri Lakhpati Singh	Arrah town.
6	M/s. Narayan Kumar & Company	Arrah town.
7	Sri Ram Lochan Singh, S/o Late Sri Ram Nagina Singh	Jagdishpur.
8	Sri Bishwanth Prasad Gupta, S/o Sri Ram Chandra Prasad.	Arrah town.
9	Sri Sheo Saran Prasad, S/o Sri Mahabir Prasad ..	Biranpur, P.-S. Arrah.
10	Sri Hardwar Rai, S/o Sri Parmeshwar Rai ..	P.S. Shahpur, Arrah

Co-operative Credit Societies and Banks.

History.

With the passing of the Co-operative Societies Act of 1912, Co-operative Societies began to be organised and registered in this district. Registered Societies were organised at Sasaram, Buxar and Arrah subdivisions between the years 1915—1918. These societies had the objective of supply of credit with unlimited liability. Some Societies were also registered in Bhabua subdivision in 1925. The Central Co-operative Banks at Sasaram, Arrah and Buxar were opened in 1915 and at Bhabua in 1925. The societies in their respective jurisdiction were affiliated to the respective Central Banks. The Central Banks were managed by a Board of Directors, elected by the shareholders, with the Subdivisional Officer as the *ex-officio* Chairman.

Due to the economic depression and fall in the agricultural prices, the societies received a great setback and the agriculturists were unable to repay their loans between 1928 to 1936. The condition of the Co-operative Banks in general and particularly the Central Banks at Arrah and Buxar deteriorated considerably. These two Central Co-operative Banks were liquidated in 1941-42. The societies affiliated to these two banks were about 225.

In 1946-47, the Multipurpose scheme was introduced under which new Co-operative Societies with multipurpose objects were organised with limited liabilities and most of the old credit societies were converted into multipurpose societies. These societies were charged with the work of distribution of commodities in short supply and had to be controlled by various statutes. Some Consumers' Co-operative Stores were also organised for this purpose. In 1949, the members of such societies and stores stood at about 400 throughout the district.

With a view to ensure close supervision and rapid expansion of the movement a new administrative circle was created in 1949 with headquarters at Arrah under the charge of an Assistant Registrar, Co-operative Societies.

With the introduction of the First Five-Year Plan in 1951 an intensive effort was made for consolidation and expansion of the co-operative movement. A large number of co-operative societies were organised. Two new Central Banks in place of the liquidated banks at Arrah and Buxar were organised in 1950 in order to finance and supervise the expanding number of societies and their activities.

The Multipurpose Societies distributed both loans and manures among the agriculturists for improving the agricultural production. The sale of fertilizers through depots is one of the main duties of the Co-operative Societies.

The following figures will show the cash and credit sale of fertilizers through the Co-operative Societies and Central Credit Agricole Depots in this district since 1952 to 1963*:—

Years.	Tons.
1952-53	2,210
1953-54	2,900
1954-55	3,500
1955-56	4,100
1956-57	Not available.
1957-58	4,500
1958-59	5,000
1959-60	6,000
1960-61	10,000
1961-62	18,000
1962-63	21,000

Before the adoption of the recommendations of the Rural Credit Survey Committee in 1958, the Co-operative Movement was treated more as a non-official movement 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 the year 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.

* This information was collected from the Manager, Credit Agricole Depot, Arrah.

This is evident from the following figures for the years at the advent of First, Second and Third Five-Year Plans:—

Year.	Kind of societies.	No. of societies.	Membership.	Loan advanced.	Value of goods sold.	Paid up share capital.	Reserve and other funds.	Working capital.
1	2	3	4	5	6	7	8	9
				Rs.	Rs.	Rs.	Rs.	Rs.
1951* ..	1. Multipurpose Co-operative Societies.	269	12,556	8,550	4,38,000	1,33,523	Nil	2,85,000
	2. Non-agricultural and non-credit societies.	21	945	Nil	5,74,000	91,000	Nil	1,93,000
	3. Industrial Societies	..	..	..	..	..	..	..
	4. Non-agricultural (Salary earners) Co-operative Societies.	..	..	..	..	..	..	..
	5. Joint Farming Co-operative Societies.	..	..	..	..	..	..	..
	6. Milk Dairy Co-operative Societies.	..	..	..	..	..	..	..
	TOTAL ..	290	13,501	8,550	10,12,000	2,24,523	Nil	4,78,000

*This information was collected from the Assistant Registrar, Co-operative Societies, Arrah. The figures exclude Sasaram and Bhabua Circles.

Year.	Kind of societies.	No of societies.	Membership.	Loan advanced.	Value of goods sold.	Paid up share capital.	Reserve and other funds.	Working capital.
1	2	3	4	5	6	7	8	9
				Rs.	Rs	Rs.	Rs.	Rs.
1956* ..	1. Multipurpose Co-operative Societies.	907	18,111	11,89,118	6,39,577	1,62,547	22,757	6,32,106
	2. Non-agricultural and non-credit societies.	43	504	Nil	80,408	17,274	5,000	31,320
	3. Industrial Societies ..	10	875	Nil	1,65,175	16,820	2,656	1,70,309
	4 Non-agricultural (Salary earners) Co-operative Societies.	5	448	Nil	Nil	17,885	4,402	19,750
	5. Joint Farming Co-operative Societies.	2	15	2,500	..	3,060	..	..
	6. Milk Dairy Co-operative Societies.	1	37	Nil	7,650	405	..	405
	TOTAL ..	968	19,990	11,91,618	8,92,810	2,17,991	34,815	8,53,890
1961 ..	1. Multipurpose Co-operative Societies.	2,230	42,764	21,53,061	19,35,069	5,91,051	69,286	32,33,913
	2. Non-agricultural and non-credit Societies.	103	735	14,978	2,41,414	1,01,269	40,789	2,11,372
	3. Industrial Societies ..	191	1,452	29,198	48,873	20,850	1,444	78,012
	4. Non-agricultural (Salary earners) Co-operative Societies.	10	940	Nil	5,700	20,430	7,405	35,340
	5. Joint Farming Co-operative Societies.	9	223	11,300	N.A.	3,075	300	435
	6. Milk Dairy Co-operative Societies.	4	50	N.A.	9,740	705	N.A.	N.A.
	TOTAL ..	2,547	46,164	22,08,537	17,40,796	7,37,380	1,19,224	35,59,072

*This information was collected from the Assistant Registrar, Co-operative Societies, Arrah. The figures exclude Sasaram and Bhabua Circles.

N.A.—Not available.

The following is the list of co-operative societies in this district during 1962*:—

	Name of society.	Arrah Subdn. No. of society.	Bhabua Subdn. No. of society.	Sasaram Subdn. No. of society.	Buxar Subdn. No. of Society.
	1	2	3	4	5
1	Multipurpose Co-operative Society	619	418	631	317
2	Credit Co-operative Society ..	Nil	..	679	33
3	Canegrowers' Co-operative Societies	20	..	697	46
4	Cane Development and Cane Marketing Union.	Nil	..	4	1
5	Large-sized Multipurpose Co-operative Societies.	7	2	4	3
6	*Vyapar Mandal Sahyog Samities* ..	8	4	10	4
7	Oil men's Co-operative Societies ..	..	7	..	..
8	Consumers' Co-operative Store ..	3	6	17	12
9	Weavers' Co-operative Societies ..	12	6	11	10
10	Joint Farming Co-operative Societies	6	2	8	1
11	*Vishwakarmas* Industrial Co-operative Societies.	..	..	..	..
12	Fishermen's Co-operative Societies	4	2	4	3
13	Bee-keeping Co-operative Societies	Nil	..	1	..
14	Brick Manufacturing Co-operative Societies.	2	..	1	..
15	Rope-making Co-operative Societies	1	..	1	..
16	Stone-cutters' Co-operative Societies	Nil	3	3	..
17	Poultry Co-operative Societies ..	..	..	2	..
18	Soap Manufacturing Co-operative Societies.	1	..	2	..
19	Forest Co-operative Societies ..	Nil	..	3	..
20	Mahila Industiral Co-operative Societies	..	..	3	..

* This information was collected from the Assistant Registrar, Co-operative Societies, Arrah. It is, however, not known how many of them are actively working. The investigator was told that many of them are not working.

	Name of society.	Arrah Subdn. No. of society.	Bhabua Subdn. No. of society.	Sasaram Subdn. No. of society.	Buxar Subdn. No. of society.
	1	2	3	4	5
21	*Khadi Kendrit Rachnatmak* Co-operative Societies.	1	..	1	..
22	Vegetable Growers' Co-operative Societies.	4	2	2	..
23	Hand-pounding Co-operative Societies	1	..	1	..
24	Carpet Weaving Co-operative Societies	Nil	..	1	..
25	*Samagra Seva* Co-operative Societies	..	..	2	..
26	*Charmakar* Industrial Co-operative Societies.	..	..	11	..
27	Dairy Co-operative Societies ..	..	..	1	1
28	Home Construction Co-operative Societies.	..	..	2	..
29	*Gramodyog* Co-operative Societies ..	..	..	1	..
30	Jail Industry Co-operative Societies	..	..	2	..
31	Pottery Industry Co-operative Societies.	..	..	1	..
32	Basket Making Co-operative Societies	..	..	1	..
33	Harijans Co-operative Societies	..	..	1	..
34	Palm-Gur Co-operative Societies	..	..	1	..
35	Industrial and others ..	76	30	26	49

Central Co-operative Banks.

The four Central Co-operative Banks are at Arrah, Buxar, Sasaram and Bhabua. These four Central Banks work as the pivot of Co-operative banking and credit. All the Co-operative Societies are to be affiliated to these banks for the purpose of supervision, guidance and credit facility. These banks encourage institutional pattern of credit and not extend any credit to individual persons direct. They extend finance only to co-operative institutions which in turn pass on the same to their members.

The Central Co-operative Bank, Buxar is now (1963) amalgamated with the Arrah Central Co-operative Bank which is named as Arrah-Buxar Central Co-operative Bank with its headquarters at Arrah and branch office at Buxar.

The Central Co-operative Bank, Bhabua was amalgamated with the Sasaram Central Co-operative Bank in 1960. The new bank has been named as Sasaram-Bhabua Central Co-operative Bank Ltd., with its headquarters at Sasaram and branch office at Bhabua.

The following table will show the actual working of the Central Co-operative Banks of the district since 1959-60 to 1961-62*:—

Year.	Membership. Individual.	Membership. Societies.	Share capital.	Reserve and other funds.	Deposits.	Borrowing.	Working capital.
1	2	3	4	5	6	7	8
			Rs.	Rs.	Rs.	Rs.	Rs.
Arrah-Buxar Central Co-operative Bank Ltd.							
1959-60	98	737	1,76,222	1,15,200	4,94,801	4,04,004	11,20,227
1960-61	97	807	2,95,207	1,22,313	7,63,158	4,88,342	16,69,020
1961-62	96	1,066	3,36,618	1,31,668	13,05,635	9,58,291	27,31,412
Sasaram-Bhabua Central Co-operative Bank Ltd.							
1959-60	136	1,339	1,95,953	61,707	6,85,940	5,27,549	12,71,148
1960-61	136	1,616	3,19,483	70,217	8,53,275	7,43,466	19,86,941
1961-62	136	1,773	3,68,974	70,587	11,07,965	6,93,716	22,41,160

Year.	Loan advanced.	Loan realised.	Loan due from societies.	Percentage of realisation.	Overdue.	Outside investment.	Demand.
1	9	10	11	12	13	14	15
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
Arrah-Buxar Central Co-operative Bank Ltd.							
1959-60	4,42,891	5,77,559	5,55,081	67	2,89,664	1,31,288	8,56,628
1960-61	10,33,899	6,52,568	9,36,412	71	2,90,067	3,75,019	8,97,453
1961-62	23,38,718	17,95,440	14,79,690	91	1,79,018	2,71,243	18,77,166
Sasaram-Bhabua Central Co-operative Bank Ltd.							
1959-60	8,81,952	6,24,889	7,39,329	70.3	3,47,819	1,82,983	11,72,706
1960-61	15,40,631	12,99,149	9,97,329	62.3	2,78,992	5,58,786	15,78,141
1961-62	25,35,681	24,60,386	8,90,169	89.2	2,95,782	10,14,183	27,55,968

* This information was collected from the Assistant Registrar, Co-operative Societies, Arrah.

Financing by these banks is restricted to short-term and medium-term loans for agricultural purposes only. Short-term loans are advanced to agriculturist members to meet their current production needs such as seeds, manures, etc. These loans are made available within nine to twelve months. In exceptional cases such as loans for cultivation of sugarcane they are advanced within fifteen months. Medium-term loans are advanced for purchase of livestock, agricultural implements, etc., for a period of three to five years. The rate of interest on all kinds of loans was $6\frac{1}{4}$ per cent per annum from the ultimate borrower, i.e., the cultivators but from January, 1961 it has been raised to $7\frac{1}{2}$ per cent per annum. Loans are advanced on the security of landed properties of the members but such securities are not required for loans below Rs. 200. Personal securities are taken in all cases. Loans are also available from Co-operative Societies to its non-agriculturist members, such as artisans up to Rs. 100 as working capital. In every exceptional cases loans up to and exceeding Rs. 1,000 are advanced on the prior approval of the Circle Assistant Registrar. Long-term financing is done by Land Mortgage Co-operative Bank at Patna which has a District Branch at Arrah.

The Bihar State Co-operative Land Mortgage Bank Ltd.

As discussed above a branch of the Bihar State Co-operative Land Mortgage Bank, Ltd. has been established at Arrah in 1958. The main object of the bank is to finance long-term loans to its members on the security of immovable properties for the redemption of old dues, i.e., for redemption of loans borrowed on mortgage of lands or other immovable properties for the improvement of lands and purchase of lands for consolidation of holdings for more economic and scientific cultivation. It is not known how far the object is being achieved.

It advances loans to its members for long terms which may be for 15 to 20 years. Repayment of loans is required to be made in annual equal instalments. A member may get an advance of a sum 20 times of his paid-up share capital in the bank. The maximum, however, is Rs. 10,000 per member. Since its inception up to December, 1962 the progress of the bank is as follows*:—

(1) Membership—674.
(2) Share capital—Rs. 29,775.
(3) No. of loan applications received—225.
(4) Amount of loan applied for—Rs. 12,10,000.
(5) Amount of loan disbursed—Rs. 3,12,500.

Banks.

There are a few banks in the district which offer all the modern banking facilities. The district has branches of the State Bank of

* This information was collected from the Manager, Land Mortgage Bank, Arrah.

India, Ltd., The Central Bank of India, Ltd., The Punjab National Bank, Ltd., The Allahabad Bank Ltd. and the Bank of Bihar Ltd.

The State Bank of India has got four branches:—

(*i*) Arrah since 18th March, 1957.

(*ii*) Sasaram since 28th April, 1958.

(*iii*) Dalmianagar since 31st March, 1959.

(*iv*) Buxar since 12th November, 1960.

The Central Bank of India, Ltd. has got two branches:—

(*i*) Arrah since 1953.

(*ii*) Sasaram since 1943.

The Bank of Bihar, Ltd. has got two branches:—

(*i*) Arrah since 1926.

(*ii*) Buxar since 1941.

The Punjab National Bank, Ltd. has got two branches:—

(*i*) Arrah since 1950.

(*ii*) Dumraon since 1957.

The Allahabad Bank, Ltd. has one branch at Buxar which was established in 1941.

The banks as usual collect the savings of the public, give loans with reasonable security and undertake the other monetary transactions which are usually done in a bank such as acting as the agent of the customers in collecting and paying cheques, bills, 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. Through the banks a big turnover of business is done. *Hundi* business is still continuing and is generally confined to foodgrains, cloth, etc.

General and Life Insurance.

Life Insurance is one of the important items or individual's contractual saving. The characteristics of a contractual saving is that the individual concerned agrees either voluntarily or by obligation of service terms to make regular payments to a fund over a period of time, subject to the condition that he would be paid back the amount remitted by him together with or without interest and profits at a later date. The time of repayment, the mode and other details are usually prescribed in rules and regulations governing the fund. In the case of Life Insurance the nature of the responsibility which a company assumes for the individual concerned depends upon the conditions under which the policy has been issued by the company or the authority that does the business. A Life Insurance Policy contemplates insurance against one's life, against a specific contingency and premiums are paid by the insured over a particular period at an expiry of which the company or the authority discharges its legal obligation to the insured by payment of the stipulated amount with or without bonus.

Before the Life Insurance Corporation was formed in 1956, there were a number of well-established Life Insurance Companies like Oriental, New Asiatic, Empire, National, National India, etc., in the country and they had agencies within the district of Shahabad.

The companies worked through a chain of agents, supervisors, etc. The agents were, however, more confined to the urban areas. The services given by the agents were good and the companies invariably issued a notice of payment due to the insured. They also used to be very prompt in settling claims. Nationalisation of insurance business was decided as a policy in 1956 and the Life Insurance Corporation was set up. All the companies working on life insurance merged into the Life Insurance Corporation and the insured persons did not have to incur any loss. The Life Insurance Corporation took over the assets and the liabilities.

With the Nationalisation of life insurance business, the Life Insurance Corporation of India became the only 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 1st September, 1956 all Life Insurance and Provident Societies whether Indian or of foreign origin were taken over by Life Insurance Corporation. The security of the policy money is guaranteed by the Central Government.

General Insurance work, however, covering fire, marine, accident, theft, burglary and other insurance business has been left to the concerns in the private sector. Most of the former insurance companies and societies which used to transact all insurance business including life, have now switched over entirely to general insurance business.

Under the organisational set-up of the Corporation, the Arrah branch of the Life Insurance Corporation was started on the 1st September, 1956. This branch has been placed under the territorial jurisdiction of the division of Patna in the Eastern Zone. The corporation has branch offices in the district at Arrah and Dehri-on-Sone. The Development centre at Dehri-on-Sone is under the charge of an Assistant Branch Manager, Dehri-on-Sone.

There are 18 Development Officers in this district distributed as follows:—

Arrah town—4.

Jagdishpur—1.

Dumraon—1.

Nawa Nagar—1.

Buxar—1.
Raghunathpur—1.
Tarari—1.
Bhabua—1.
Bikramganj—1.
Dehri-on-Sone—2.
Mohania—1.
Sasaram—2.
Kargahar—1.

The Development Officers, who have specified area in their charge, work through appointed agents who are distributed over the villages in their area. These village agents work on commission basis calculated on the premium paid on policies.

The Branch offices collect proposals along with the first premium instalments either in full or in part and then these proposals are sent to Patna in the Divisional office for decision in respect of acceptance or otherwise of the proposals. The acceptance advices are sent by the Divisional office with copies to the respective agents, field officers and the branch or sub-office collect the balance of the first premium and make adjustments and issue official receipts to the policy-holders. In case the full first premium is realised along with the proposal, the adjustments are made directly by the Divisional office who also issues the receipts and the policies to the parties.

In Shahabad district, Life Insurance business done and the number of agents, etc., since 1957 to 1962 are as follows*:—

Year.	No. of policies.	Sum assured.	Number of agents.	Development Officers.	No. of branch officers.
1	2	3	4	5	6
		Rs.			
1957 ..	2,112	76,23,569	445	11	1
1958 ..	2,303	83,49,500	529	12	1
1959 ..	4,004	1,88,79,850	629	13	1
1960 ..	4,338	1,51,27,250	369	13	1
1961 ..	4,407	1,55,12,320	430	15	2
1962 ..	4,847	1,63,14,200	449	18	2

So far as General Insurance is concerned which includes the insurance of godown, money in transit, goods in transit, personal accident, fire, etc., the incidence is rather poor excepting motor car insurance which is compulsory. General Insurance may be divided into three categories: Miscellaneous accidents in which motor cars, trucks, buses, taxis, motor cycles, burglary, etc., are included.

* Supplied by the office of the Divisional Manager, Life Insurance Corporation, Patna.

Fire including riot risks, floods, etc., usually covering properties, houses, godowns, workshops, factories, etc., and marine accidents due to which goods may not arrive intact whilst in transit from one centre to another. Motor cars and trucks are insured compulsorily against third party risks. Owners of new cars and some owners of old cars take out comprehensive policies with private insurers and the subsidiaries of the Life Insurance Corporation of India.

There are three subsidiaries of Life Insurance Corporation of India, viz., Oriental Fire, National Fire and Asiatic Government Security which have been merged into one company known as Oriental Fire and General Insurance.

The India Government has introduced an Emergency Risk Insurance from 1st January, 1963 due to Chinese aggression. According to it all the factories and big mills of India will have to be insured.

The Oriental Fire and General Insurance Company does General Insurance business through about 50 agents, and one paid Inspector is posted at Patna. The district is looked after directly by the Divisional Officer at Patna where there is a Divisional Secretary. Other General Insurance Companies have their agents and inspectors in the district. Some of them are New India Company, Ltd., Hindustan General Insurance Company, Ltd., etc.

About fifty Indian and foreign companies are working in this district. An average annual premium of about Rs. 1.25 lakhs to Rs. 2 lakhs by the different parties is realised.

Savings in the district.

Small Savings.

The scope for small savings in this district is meagre. In an under-developed country and particularly in view of the many development projects there should be a spirit to save for the future and for this facilities have been provided.

All the banks accept small deposits and the State Government have offered some attractive means of investments for such savings.

The Post Offices have Savings Banks sections to collect small deposits. Many of the rural Post Offices have this facility. The statement below shows the deposits and amount withdrawn in the Post Offices of Shahabad district from 1958-59 to 1961-62:—

Year.	Amount deposited in rupees.	Amount withdrawn in rupees.
1958-59	75,23,530.37	68,09,994.31
1959-60	75,26,522.36	74,23,313.32
1960-61	97,10,161.81	82,12,991.47
1961-62	1,10,16,938.46	95,78,052.93

The figures are suggestive. The Postal Savings Banks are popular but the need to withdraw the savings is acute.

Any citizen who can spare even so small an amount of Rs. 5 can open a Post Office savings bank account at any Post Office which also does saving banks work. The maximum limit of investment is Rs. 15,000 for an individual and Rs. 30,000 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.

Interest on individual and joint accounts is allowed at the rate of 3 per cent for the first of Rs. 10,000 and $2\frac{1}{2}$ per cent on the balance in excess of Rs. 10,000. On public accounts interest is allowed at 2 per cent and interest is calculated for each calendar month. The interest earned on these investments is free of income-tax and super tax.

As an inducement to savings, the Central Government started from 1st 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 were of two denominations, one of Rs. 5 and the other of Rs. 100. The attractive feature of the bonds was that at each draw prizes were 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 was repaid for his investment while there was a chance for him to win a prize in addition.

The total amount of sale of the Prize Bonds in the district of Shahabad up to March, 1962 was Rs. 90,785. This amount in two years, however, does not show that the Prize Bonds had become very popular.

With the sponsoring of the scheme described below the further sale of these bonds were closed.

Premium Prize Bonds.

Premium Prize Bonds are available for sale in denomination of Rs. 100 and Rs. 5 from 1st January, 1963. They will be sold up to 31st December, 1963 and will be repaid with premium of 0.50 nP. and Rs. 10 for every bond of Rs. 5 and Rs. 100 respectively, five years after the date of their sale. In addition to the premium, every bond sold is eligible for participating in two draws of prizes to be held in the year 1964. For every crore of rupees of bonds sold of each denomination prizes for different amounts are to be awarded in each of the two draws.

In this district up to March, 1963 Premium Prize Bonds of Rs. 10,415 were sold.

12-Year National Plan Savings Certificate.

This was introduced in 1955-56 by the Central Government. The scheme was, however, dropped in November, 1962 due to the Chinese aggression. The Government introduced a new savings scheme in November, 1962 which is called National Defence Certificate.

The following statement will show the amount deposited under 12-Year National Plan Savings Certificate:—

Year.				Amount invested.
				Rs.
1958-59	..	..	..	10,02,298
1959-60	..	..	..	9,50,980
1960-61	..	..	..	9,46,675
1961-62	..	..	..	9,34,070

National Defence Certificates.

The Government of India have introduced since November, 1962, the National Defence Certificates to enable every citizen to invest his savings for the national defence. In this district from November, 1962 up to March, 1963 National Defence Certificates worth Rs. 4,85,200 were sold. The certificates are in denomination 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.

State Assistance to Industrial Development.

With the passing of the Bihar State Aid to Industries Act, 1956, Government can now grant loans and other help to persons in Shahabad district carrying on or intending to start industries within the State. This aid has given a fillip to the growth of small-scale and cottage industries in the district. A list of such industries for which loans have been given has been supplied by the Industries Department and is printed later. It may, however, be mentioned that no spot check has been made by the Gazetteer Revision Branch to see if the industries have been floated or not.

It may be mentioned that under the Bihar State Aid to Industries Act, 1956, financial assistance can be given in the following forms:—

(*a*) grant of loan, (*b*) grant of subsidy, (*c*) taking of shares or debentures, (*d*) guarantee of minimum return on the whole or part of the capital of a joint stock company, (*e*) grant on favourable terms of land, raw materials or other property vested in the State, (*f*) supply of machinery on hire purchase terms, (*g*) supply of electrical energy at concessional rates, (*h*) guarantee of a cash credit, overdraft or fixed advance with a bank.

To facilitate quick and easy distribution of loans, power to sanction them has been delegated to various authorities. Loans up to Rs. 5,000 for any single industry are sanctioned by the Project Executive Officer of the Community Development Block or the S. D. O. concerned. The sanctioning authority for loans up to Rs. 10,000 is the Collector or the Additional Collector, and for loans up to Rs. 20,000 in any single case is the Director of Industries, or the Additional Director of Industries. Loans beyond this amount are sanctioned by Government in the Department of Industries and Co-operation. The interest chargeable on these loans up to Rs. 50,000 is 3 per cent and 5 per cent for any amount beyond this amount. The maximum period of repayment is 10 years. The repayment starts after the lapse of two years from the date of the grant of the loan. In the matter of interest special concessions have been allowed to industrial co-operative societies and they pay interest at 2½ per cent only.

Serial no.	Name of Industry.	Amount sanctioned.	Date of payment.	Purpose for which loan given.
1	2	3	4	5
		Rs.		
1	*Charkha-Kambal Ashram* Private Limited, Nasriganj.	10,000 15,000	26th March 1956 31st March 1958	Kambal manufacturing.
2	Bihar Leather and Tanning Company Limited, Nasriganj.	10,000 10,000	28th September 1956 20th August 1958	Leather goods and tanning industry.
3	Bihar Printing and Dyeing Works, Arrah.	5,000	9th October 1956	Printing Industry.
4	Arrah Cold Storage, Arrah	40,000 32,409	31st March 1957 31st March 1958	Cold Storage.
5	Brick Kiln Industry ..	9,000	23rd May 1957	Brick Kiln Industry.
6	Saw Mill Industry, Arrah ..	9,000	4th September 1957	Saw Milling.
7	Keshri Industries, Aharpool, Arrah.	24,000	17th September 1958 13th October 1958	Soap, Biscuit manufacturing.
8	Buxar Industrial Corporation, Buxar.	10,000 5,000	16th December 1958 30th March 1959	Agricultural implements and domestic utensils.
9	Dayal Singh Soap Industry, Buxar.	10,000 8,000	13th January 1959 19th May 1959	Soap and Mahua oil manufacturing.
10	Ayurvedic Medicine Industry, Jagdishpur.	5,000	28th July 1960	Manufacture of Ayurvedic medicines.
11	*Dhatu Bartan Udyog Sahyog Samiti*, Buxar.	5,000	1960-61	

EXPORTS AND IMPORTS OF THE DISTRICT.

Regarding the old time exports and imports of the district, we have at least two accounts by Francis Buchanan and W. W. Hunter. Francis Buchanan (An Account of the district Shahabad in 1812-13, Patna 1934) mentions that a large number of items were exported and imported.* From this report it appears that rice was a main article for both export and import. Wheat was mainly exported and Shahabad wheat was largely used by European bankers in Bengal and Madras presidencies. Other grains exported included barley, peas, different kinds of pulses, gram, mustard, linseed, cumin and til. Tobacco, sugar, both refined and coarse, molasses, salt, cotton, wool, iron goods, brass vessels were imported. Betel leaf, *Sajimati* (impure carbonated soda), Ganja, mahua flowers were imported. He particularly mentions of timber and bamboos being sent out from the vicinity of Rohtas. Woollen and cotton carpets were sent out to Chapra and Muzaffarpur while silk goods from Malda and Tasar silk goods from Daudnagar and gold and silver laces, shoes and the essences were imported from Patna. A large quantity of buffalo *ghee* used to be made within the district and the export was chiefly to Banaras. Some *ghee* was also imported. Buffaloes were exported while oxen were imported.

According to Francis Buchanan the places noted for trade and commerce within the district were Arrah, Dumraon, Rohtas, Tilouthu and Sasaram. Particular mention has been made of Tilouthu in connection with trade in Tasar silk, lac, resin, catechu and stones.

He describes communities at Sasaram, Dumraon, Tilouthu and Arrah exclusively occupied in business.

He has an excellent account as to the conveyance of goods through which export and import used to be carried out.

W. W. Hunter in his Statistical Account of Bengal (1877) mentions about Commerce as follows:—

> "The trade of Shahabad District is chiefly carried on by means of permanent markets in the town and at fairs. The principal articles of export, as returned by the Collector in 1870, are rice, wheat, barley, pulses, gram, oats, linseed, caraway-seed, paper, and spices. The imports consist of rice (cleaned by boiling), betel-nut, tobacco, sugar and molasses, salt, pepper, cotton, iron, brass, zinc, copper, lead, tin and betel-leaf or pan. During the year 1874-75 the railway returns show, under the head of imports, 1,322,979 maunds, or 47,249 tons 2 cwts, of grain; and 5,88,970 maunds, or 21,034 tons 13 cwts, of other merchandise. Under the

* An Account of the District of Shahabad in 1812-13 by Francis Buchanan published in 1934, pages 419—429.

head of exports, there were 1,17,723 maunds, or 4,204 tons 7 cwts, of grain; and 3,04,072 maunds, or 10,859 tons, of other merchandise. Of the grain imported 93,284 maunds, or 3,331 tons 11 cwts, was on account of Government, of which 38,019 maunds, or 1,357 tons 16 cwts, were sent across to Chapra in Saran. This still leaves an importation of grain on private account of 12,29,695 maunds or 43,917 tons 11 cwts. It need not be pointed out that this amount is exceptional, nor that the traffic received a vast stimulus from the reduction of freight under the arrangements entered into with Government; but it should be remembered that these figures, being for the official year, only include the slack end of the great importation in grain which had set in from the previous November, and died out after the first quarter of the year under review. Under the heading of "other merchandise", the principal articles at Arrah, which may be taken as typical of the other stations, were as follows:—Imports—coal, 72,604 maunds; cotton, 12,286; iron, 6,536; mahua, 5,954; piece-goods, 9,181; salt, 65,945; seeds, 1,745; timber, 5,123; tobacco, 6,648; railway property, 7,394; miscellaneous goods, 32,865, total, 2,26,281 maunds, or 8,283 tons. Export—gunny bags, 5,408 maunds; hides and horns, 1,388; indigo, 1,177; molasses, 6,737; salt, 3,961; seeds, 8,431; piece-goods, 1,533; railway property, 5,553; sugar, 1,467; timber, 4,270; melted butter and oil, 1,809; miscellaneous goods, 17,452, total 58,284 maunds or 21,336 tons. Of these, it may be presumed that coal, iron and timber were destined, for the most part, for use on the canals. The following figures, compiled from the registration returns at Sahibganj show the Ganges-borne traffic of the District during a corresponding twelve months. In 1874 there were registered at Sahibganj, as coming from Shahabad, 28,064 maunds of wheat, and 25,278 maunds of pulses and gram. In the same year nothing was registered as going to Shahabad.

"The local trade has been thus described by Mr. Eyre:—The town of Nasriganj on the Son we owes its commercial prosperity to its trade in timber, bamboos, and rope-fibre, the products of the Kaimur and Palamau Jungles. In 1872-73, 39,00,000 bamboos, valued at £ 3,900, were floated on rafts down the Son for Nasriganj and Patna. These rafts contained also rope to the value of £ 200 and a considerable quantity of timber. Lime which is manufactured at the kilns along the eastern base of the plateau, is not only used on the canal works, but is also largely exported to Tirhut and Patna. In 1872-1873, 3,50,000 maunds, or 1,786 tons, valued at £ 4,000, were sent down the Son. Grain, oil-seeds, and cotton are imported from Chutia Nagpur. Pack-bullocks are used, which cross the Son at Bandu ghat and travel along the left bank of the river to Sasaram, Dehri, Nasriganj, etc. It is computed that during the cold and dry seasons one hundred bullocks cross the Son every day. The *hara* nut, used in dyeing, is exported to Patna and Benares. The annual amount is estimated at 8,000 maunds, or 286 tons, worth £ 1,200. Finally, there is at Sasaram a large trade in Manchester piece-goods. The merchants say that they annually import cloth to the value of £ 11,150, of which £ 7,400 worth is consumed locally, and £ 3,750 is again exported. The Grand Trunk Road enters Shahabad at Dehri, and, after passing Sasseram and Jahanabad, leaves the District at Naubatpur. Piece-goods, grain of all kinds, sugar, betel. Forest products, melted butter are carried along this road, but I have been able to obtain no estimate of the extent of the trade."*

Trade Now.

The last *District Gazetteer of Shahabad* (1924) mentioned that principal exports were gram and pulses, refined and unrefined sugar, *gur* and molasses and linseed. Sugar was largely exported to Uttar Pradesh and Madhya Pradesh and linseed to Calcutta. The principal exports were coal, salt, cotton goods and kerosene oil. There was a decline in the imports of rice and in the exports of wheat, which may be attributed to the extension of rice cultivation owing to canal irrigation and to the contraction of the area under wheat.†

The picture of the present exports and imports (1963) could be had by study of the statistics at the principal railway stations of the district and study of the markets. The result of the market study may not be accurate as the merchants were not keen to show their registers and any study of the market would have had to be spread over a pretty long time. Statistics of the turnover of the different commodities through roadways are not maintained by any particular authority. For our purposes it is considered that the railway statistics of Arrah Railway Station and the stations on Arrah-Sasaram Light Railway will be sufficient indicators.

The main commodities exported from Arrah Railway Station are rice, paddy, *gur*, mango, stone-chips and the main imports are cloth, engineering goods, medicine, etc. The main places where

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* W. W. Hunter's '*A Statistical Account of Bengal, Volume XII*' (Gaya and Shahabad) published in 1877, pages 263-64.

† From the *District Gazetteer of Shahabad* (1924), pages 111-112.

commodities are sent are Patna, Bhagalpur, Calcutta, etc. The main places from where commodities come to Arrah are Calcutta, Bhagalpur, Muzaffarpur, Kanpur, Hapur, Bombay, etc.

From Arrah Railway Station separate figures for the commodities were not readily available. The staff at Arrah Railway Station, however, gave the total maundages handled as export and import for the year 1960–62. The figures are as follows:—

Month	Year	Export in maunds.	Import in maunds.
January	1960	1,352	4,281
	1961	1,292	4,237
	1962	1,105	3,947
February	1960	520	3,337
	1961	1,398	5,129
	1962	1,595	7,819
March	1960	770	3,525
	1961	775	5,295
	1962	895	4,986
April	1960	505	3,684
	1961	550	5,434
	1962	455	5,339
May	1960	1,738	4135
	1961	3,528	5,252
	1962	3,987	5,170
June	1960	921	4,233
	1961	1,468	4,763
	1962	1,339	4,686
July	1960	386	4,034
	1961	1,099	4,132
	1962	990	3,979
August	1960	318	3,575
	1961	1,073	4,733
	1962	998	4,673
September	1960	367	3,565
	1961	388	3,710
	1962	399	3,611
October	1960	702	4,746
	1961	902	8,317
	1962	802	8,517
November	1960	776	4,364
	1961	775	4,265
	1962	885	4,635
December	1960	903	4,747
	1961	Not available	Not available
	1962	Ditto	Ditto.

Arrah-Sasaram Light Railway runs through a tract which has very fertile lands with irrigation facilities. Rice is the main produce of this area. The livestock population is remarkably dense.

The Light Railway runs parallel to a first class road which is also well served by carrier trucks and passenger buses. The railway line is met by several roads the principal of which are from Garh Nokha and Nasriganj. There used to be a sugar mill at Bikramganj some years back. An extensive quantity of sugarcane is also grown in this area. There is a large sugar factory at Dalmianagar. Dalmianagar has also several factories, namely, cement, paper, etc. There are several rice mills in the area served by Arrah-Sasaram Light Railway.

On investigation from the Arrah-Sasaram Light Railway authorities it was ascertained that they could readily give the overall figures in quintals of the different commodities handled at the sixteen railway stations on this Light Railway. The more important of these sixteen stations handling goods are Arrah, Hasanbazar, Bikramganj, Garh Nokha and Sasaram. Commodities like ballast, grain, rice and paddy are exported to Arrah, Dinapur, Patna, Bhagalpur, Chapra, etc. Commodities like manures and timber are imported from Sindri, Jogbani, etc.

The figures supplied by the District Traffic Superintendent for the years 1959-60 to 1962-63 (up to March) are as follows:—

—	Coal weight in quintals.	Ballast weight in quintals.	Grains and pulses weight in quintals.	Rice and pulses weight in qunitals.	Manure weight in quintals.	Timber weight in quintals.
1	2	3	4	5	6	7
			1959-60.			
April, 1959 ..	5,009	4,867	623	16,956	..	1,075
May, 1959 ..	9,520	7,740	2,520	55,520	580	3,410
June, 1959 ..	2,890	2,601	396	20,136	1,198	1,064
July, 1959 ..	5,225	3,546	172	22,365	5,181	131
August, 1959	3,143	377	455	9,353	5,520	261
September, 1959	7,599	1,444	101	9,156	1,381	2,404
October, 1959	3,470	3,340	100	7,870	4,760	720
November, 1959	8,887	5,632	108	10,391	347	396
December, 1959	1,881	396	153	17,673	..	403
January, 1960	2,784	6,659	146	34,703	425	15,589
February, 1960	3,790	4,430	75	34,580	1,080	970
March, 1960..	2,512	5,815	37	22,600	437	..

1	2	3	4	5	6	7
			1960-61.			
April, 1960 ..	3,920	790	..	18,060	1,280	2,090
May, 1960 ..	9,611	4,031	145	24,915	2,953	112
June, 1960 ..	3,955	4,137	194	17,825	4,793	500
July, 1960 ..	1,891	1,693	443	8,619	860	1,972
August, 1960	2,152	3,909	123	6,272	2,373	1,228
September, 1960	2,214	3,140	682	5,437	4,266	2,428
October, 1960	2,798	3,228	463	2,840	10,509	1,066
November, 1960	3,156	580	69	3,179	3,412	2,187
December, 1960	2,843	380	65	9,995	2,334	2,433
January, 1961	2,257	1,315	350	19,043	424	212
February, 1961	2,275	5,165	213	20,514	..	694
March, 1961..	1,955	3,987	158	23,834	3,822	2,146
			1961-62.			
April, 1961 ..	2,272	3,383	831	2,82,871	6,400	1,583
May, 1961 ..	1,975	3,110	436	23,498	9,633	2,178
June, 1961 ..	2,550	11	542	18,153	4,520	1,019
July, 1961 ..	2,343	2,892	3,338	15,469	5,928	762
August, 1961	2,374	..	2,021	16,334	7,204	1,732
September, 1961	1,886	..	560	13,193	4,719	3,046
October, 1961	1,810	1,034	299	8,238	3,646	1,696
November, 1961	1,828	5,148	223	11,827	8,636	868
December, 1961	1,865	2,350	78	13,714	3,151	535
January, 1962	2,088	5,200	234	20,471	3,060	326
February, 1962	1,893	3,998	508	28,079	..	853
March, 1962..	2,458	7,598	620	23,626	2,654	236
			1962-63.			
April, 1962 ..	2,884	4,751	1,090	31,032	6,940	82
May, 1962 ..	2,164	2,356	902	10,939	11,620	368
June, 1962 ..	2,578	4,109	297	20,507	6,600	496
July, 1962 ..	2,995	5,084	722	20,209	7,152	216
August, 1962	2,379	4,791	451	7,263	19,243	1,391
September, 1962	2,097	..	310	10,394	15,287	1,268
October, 1962	4,780	7,900	321	4,895	16,457	2,953
November, 1962	2,090	881	151	2,422	8,892	1,306
December, 1962	2,564	3,808	48	7,196	2,220	1,740
January, 1963	4,186	5,530	281	16,184	211	725
February, 1963	2,110	1,690	426	18,074	8,484	1,297
March, 1963..	3,043	3,766	94	23,407	926	702

Taking the district as a whole the statement below indicates the important commodities and the chief places from where they are imported and the main destination of export:—

(1)

Name of commodities that come into the district.	From where imported.
Cotton piece goods ..	Kanpur, Ahmedabad, Bombay, Calcutta, Varanasi, Bhagalpur, Muzaffarpur, etc.
Coal	Raniganj, Giridih and Jharia Coalfield areas.
Salt	Calcutta, Tuticorin.
Iron and Steel	Calcutta, Tatanagar, Kulti.
Shoes	Kanpur, Agra, Delhi and Calcutta.
Kerosene oil and petrol ..	Budge Budge.
Cotton	Kanpur, Ballia, Varanasi.

(2)

Name of commodities that go out of the district.	From where exported.	Destination of export.
Cement	Banjari and Dehri	Calcutta, Patna, Varanasi, places in Madhya Pradesh, Delhi, etc.
Rice	Buxar, Sasaram, Bhabua, Arrah.	Patna, Varanasi, Ballia, Calcutta, Assam, etc.
Linseed	Buxar, Bihea, Arrah, Bhabua, Sasaram.	Calcutta, Kanpur, Varanasi.
Lime	Dehri	Calcutta, Gaya and Varanasi.
Fish	Buxar	Calcutta, Asansol, etc.

Regulated Market System in the District of Shahabad.*

The regulation of wholesale sale and purchase in the markets of Shahabad has been taken up under the Bihar Agricultural Produce Market Act, 1960 (Bihar Act XVI of 1960). The Act has the major objective of (*i*) securing the best possible price to which the agriculturist is entitled after defraying the legitimate expenses of marketing and after taking into account the price that could be realised for the same quality of the produce in the consuming markets, (*ii*) seeing that the intermediaries standing in between the agriculturist (taking his produce to the market) and the purchaser or the latter himself do not gain on unfair advantage over the agriculturist, (*iii*) establishing equity in the bargaining power between the agriculturist and the purchaser, permitting mutual confidence, preventing malpractices and giving fair deal to the

* Contributed by the Deputy Director of Agriculture (Marketing), Bihar in April, 1963.

farmers. The important wholesale markets in the district are Sasaram, Buxar, Arrah, Nokha, Mohania, Behia and Dehri. It is proposed to bring all these markets under the purview of regulation according to a phased programme. To start with the work has been taken up in the markets of Sasaram and Buxar. Accordingly one Market Secretary, who is a gazetted officer in Junior Class II of Bihar Agricultural Service and another, a non-gazetted Market Secretary in the scale of Rs. 150 to Rs. 350, have been posted at Sasaram and Buxar respectively to take necessary steps for necessary enforcement of the Act in the two markets.

As required under sub-section (1) of section 3 of the Act the State Government have already issued necessary notification as per no. 21697-agri., dated the 13th December, 1962, declaring its intention to regulate sale and purchase of paddy, rice, wheat, gram, *khesari, masur* and linseed in the area covered by Sasaram Police-Station within Sasaram Subdivision and paddy, rice, wheat, *khesari*, rape and mustard seed and linseed in the area covered by Buxar and Itarhi Police-Stations within Buxar subdivision of the district and invited suggestions and objections, if any, from the persons likely to be affected thereby by 20th February, 1962. After considering the suggestions and objections the final notification under section 4 of the Act declaring the respective market areas in respect of the commodities specified will be issued.

The Act provides for the formation of a Market Committee for each of the market to be regulated. It will be a corporate body charged with the management and administration of the market concerned. Each Market Committee will consist of 15 members representing the following interests:—

Agriculturists	7
Trader	3
Co-operative Marketing Society ..	2
Co-operative Bank	1
Government representative	1
Gram-Panchayat or Municipal representative	1
TOTAL ..	15

Thus the interests of the agriculturist will predominate in the Market Committee.

The first Market Committee is to be nominated by the Government appointing one amongst the members nominated as Chairman and another from them as Vice-Chairman. It will remain in office for one year. The necessary notification under sections 6 and 8 of the Act declaring the formation of the 1st Market

Committees in respect of the two markets is likely to be issued almost simultaneously with the issue of notification under section 4 noted above.

The second and subsequent Market Committee will be an elected body with its term of office for three years. It will elect one of its members as Chairman and another as Vice-Chairman.

The Chairman shall be the controlling and supervising officer of the Market Committee and all officers and servants of the committee shall be subject to his control. The Secretary, subject to the control of the Chairman, will be the Chief Executive Officer of the Market Committee and shall be responsible for ensuring proper and efficient working of the market.

In accordance with the provisions made under the Act and the rules framed thereunder the Market Committee will issue licenses to the traders, commission agents, brokers, weighmen, measurers, surveyors, warehousemen and other persons including persons or firms engaged in the processing and pressing of agriculture produce brought under regulation in the market and will collect license fees from the licensees at most reasonable rates as specified under the rules. Sales by open auction, abolition of unauthorised trade allowances and arbitrary deduction in weights, prohibition of taking samples free of cost, fixation of marketing expenses at reasonable levels and prompt payment of sale-proceeds to the producer-sellers together with the sale-slips detailing the accounts of transactions are some of the statutory provisions made under the Bihar Agricultural Produce Market Act, 1960. Effective provisions have also been made in the Act for the prompt settlement of disputes between the buyers and sellers by the disputes sub-committee, for the collection, compilation and dessimination of market news such as prices, market arrivals and despatches of agricultural commodities. The Market Committee will also provide amenities like sheds, rest houses, drinking water, etc., to the users of the market.

The Market Committee shall levy and collect market fees on agricultural produce brought in the market area on *ad valorem* basis at a nominal rate of 25 nP. per Rs. 100 worth of the agricultural produce and the same will be realised from the buyer but will be recoverable from the seller as a market charge.

All money received by the Market Committee by way of license fee and market fee shall be paid into Market Committee Fund and all expenditure incurred by the committee under or for the purpose of the Act shall be defrayed out of the said fund. Any surplus remaining with the Market Committee at the close of the year, after such expenditure shall be credited to its permanent fund of the committee which will be used only towards incurring the expenses of a permanent nature such as the construction of buildings, acquisition or purchase of sites or for such other purpose.

So far as extending the regulative measures under the Act in the remaining wholesale markets of Nokha, Arrah, Mohania, Behia and Dehri is concerned, their preliminary survey has already been started with the aim of getting them under the orbit of regulation by the end of the Third Five-Year Plan. In order to expedite the progress in that direction one non-gazetted market Secretary has already been posted at Dehri and the posting at the remaining markets is expected to be made in near future.

The number of *mandies* and important marketing centres of the district is 28. A list of the wholesale markets of Shahabad district with indication of approximate number of wholesalers (dealing in agricultural produce) operating in each of them is given below:—

Serial no.	Subdivision.	Police Station.	Name of the Wholesale Market.	Approximate number of wholesalers.
1	2	3	4	5
1	Arrah Sadar ..	Arrah ..	Arrah ..	31
2	Ditto	Bihea ..	Bihea ..	20
3	Ditto	Piro	Hasan Bazar ..	13
4	Ditto	Do.	Piro	4
5	Buxar	Buxar	Buxar	30
6	Ditto	Dumraon ..	Bhojpur ..	5
7	Ditto	Buxar	Chausa ..	9
8	Ditto	Rajpur ..	Dhansoi ..	4
9	Ditto	Dumraon ..	Dumraon ..	11
10	Ditto	Brahmpur ..	Raghunathpur ..	4
11	Sasaram ..	Bikramganj ..	Bikramganj ..	6
12	Ditto	Chenari ..	Chenari ..	..
13	Ditto	Dehri ..	Dehri	11
14	Ditto	Sasaram ..	Nokha ..	14
15	Ditto	Ditto ..	Sasaram ..	19
16	Ditto	Ditto ..	Tilouthu ..	3
17	Bhabua ..	Bhabua ..	Bhabua ..	..
18	Ditto	Ditto	Hatta	2
19	Buxar	Itarhi	Itarhi	10
20	Arrah	Jagdishpur ..	Jagdishpur ..	3
21	Bhabua ..	Durgawati ..	Karamnasa ..	8
22	Ditto	.. ..	Kudra ..	4
23	Ditto	Mohania ..	Mohania ..	17
24	Sasaram ..	Nasriganj ..	Nasriganj ..	5
25	Ditto	Dinara ..	Natwar ..	14
26	.. ..	.. ..	Noaon ..	2
27	Sasaram ..	Nokha ..	Sanjhauli ..	3
28	Ditto	Dawath ..	Surajpura ..	1

MARKETS.

A brief discussion of some of the important markets at Bihea, Arrah and Buxar will be of interest in this connection.

Bihea is at a distance of 14 miles from Arrah and is served by Eastern Railway and a good road. Bihea is a very important grain market. The following are the approximate figures for the annual arrivals and despatches of some of the important commodities at Bihea Market:—

*Annual arrivals.**

	Commodity.	In maunds.	Places from where imported.	Places where exported.
1	Rice ..	1,25,000	Local supply	Patna, Chapra, Ballia and Bhagalpur.
2	Linseed	6,400	Local supply and Uttar Pradesh.	Places within the district.
3	Gram ..	5,000	Local supply	Patna, Dinapur and places within the district.
4	*Masur* ..	2,500	Ditto	Ditto.
5	Barley ..	1,500	Ditto	Uttar Pradesh, Chapra and Jhajha side.
6	Mustard oil	15,000	Local supply, Utter Pradesh, Punjab and Rajasthan.	Places within the district.
7	*Khesari*	6,000	Local supply	Patna side and places within the district.
8	*Rahar* ..	2,000	Ditto	Ditto.
9	Wheat..	1,500	Ditto	Places within the district.
10	Maize ..	2,500	Naugachhia and Colgong.	Ditto.
11	*Gur* ..	5,000	Local supply	Patna, Chapra, Ballia.
12	Paddy	1,000	Local supply and Uttar Pradesh.	Places within the district.
13	Oil cakes (Linseed and mustard oil).	22,000	Local supply and Uttar Pradesh.	Ditto.
14	*Ata* ..	6,000	Patna and Uttar Pradesh.	Ditto.

* Sources of Information.—Deputy Director of Agriculture (Marketing), Bihar.

Arrah town, the district headquarters, has two important market areas at Muhalla Nawada and Chauk Bazar. Arrah is well served by railways, roadways and waterways.

The following table will show the average annual arrivals of principal commodities and their import and export*:—

Arrah-Nawada.

Commodity.	Annual arrival. In quintals.	Places from where imported.	Places where exported.
Paddy ..	18,600	Bihea and local supply.	Chapra, Patna.
Rice ..	18,600	Ballia local supply	Places within the district.
Wheat ..	700	Local supply	Ditto.
Gram ..	3,700	Ditto	Ditto.
Barley ..	200	Ditto	Ditto.
Masoor ..	3,700	Ditto	Dinapur, Patna.
Khesari ..	18,600	Ditto	Ditto.
Arhar ..	1,500	Ditto	Places within the district.
Linseed ..	9,300	Ditto	Dinapur, Patna.
Gur ..	400	Ditto	Places within the district.

Arrah Chauk Bazar.

Commodity.	Annual arrival. In quintals.	Places from where imported.	Places where exported.
Rice ..	1,50,000	Local supply	Bhagalpur, Hazaribagh, Coalfield areas, Monghyr.
Wheat ..	18,600	Ditto	Places within the district.
Gram ..	3,700	Ditto	Ditto.
Barley ..	200	Ditto	Ditto.
Masoor ..	700	Ditto	Places within the district, Patna and Calcutta.
Khesari ..	700	Ditto	Places within the district.
Linseed ..	400	Ditto	Ditto.
Maize ..	400	Ditto	Ditto.
Jawar ..	700	Madhya Pradesh and Uttar Pradesh.	Ditto.
Ata ..	8,400	Patna	Ditto.
Sugar ..	26,900	Bihta and Dalmianagar.	Ditto.

Buxar is a subdivisional town and an important trade centre. It is served by railways, roadways and waterways. It is located just on the bank of the river Ganga. Ballia, a district town of Uttar Pradesh, is just on the other side of the river Ganga and is very close to this

* Sources of information:—*Marketing Directory, published in* 1960 by the Deputy Director of Agriculture, Marketing, Bihar.

town. Its hinterland is also very rich in production of grains, vegetables and fish. Fish is obtained from the river and the local water pools and sent to Calcutta, Patna and other places daily. The Buxar Central Jail manufactures *newar, duries*, carpets, etc., and they are sent to various places both within and outside the State. The main trade of the town is grain, vegetables, fish and manufactured goods of Jail industry. Buxar is also a pilgrim centre and some famous *melas* are held in Buxar subdivision.

The following table will show the average annual arrivals of principal commodities and their export and import from Buxar*:—

—	Commodities.	Annual arrivals. In quintals.	Places from where imported.	Places where exported.
1	2	3	4	5
Buxar	Paddy	74,600	Local supply	Ballia, Patna, Varanasi.
	Rice ..	37,300	Ditto	Ditto.
	Wheat	29,000	Ballia	Within the district.
	Gram ..	9,300	Local supply	..
	Arhar ..	3,700	Ditto	Calcutta, Patna and Dinapur.
	Khesari	37,300	Ditto	Assam, Kerala, West Bengal.
	Masoor	18,600	Ditto	Patna, Fatuha, Uttar Pradesh, Calcutta, etc.
	Linseed	30,000	Ballia and local supply.	Calcutta, Patna, etc.
	Mustard seed.	19,000	Ditto	Ditto.
	Onion ..	750	Local supply	Calcutta, Patna.
	Fish ..	3,700	Ditto	Calcutta, Patna and places within the district.

The following are the important trading centres and commodities dealt in the district:—

(1) Arrah—Cereal and pulses, vegetables, spices, oilseeds and oils, oilcakes, rice, Animal Husbandry produces, etc.

(2) Bihea—Cereals and pulses, spices, oilseeds, vegetables, *gur*, etc.

(3) Piro—Cereals and pulses, spices, oilseeds, vegetables, *gur*, etc.

* Sources of information.—*Marketing Directory, Shahabad* (1960), published by the Deputy Director of Agriculture, Marketing, Bihar.

(4) Hasan *bazar*—Cereals and pulses, spices, oilseeds, vegetables, *gur*, etc.

(5) Buxar—Cereals and pulses, spices, oilseeds, oils, vegetables, *ghee*, milk, fish, meat, etc.

(6) Chausa—Cereals and pulses, oils, oilseeds, etc.

(7) Dumraon—Cereals and pulses, oilseeds, oil, livestock and animal husbandry products, *gur*, etc.

(8) Bhojpur—Cereals and pulses, Vegetables, etc.

(9) Etarhi—Cereals and pulses, vegetables, etc.

(10) Sasaram—Cereals and pulses, vegetables, oil, oilseeds, *ghee*, *gur*, sugar, fish, meat, etc.

(11) Takia—Cereals and pulses, etc.

(12) Dehri—Cereals and pulses, vegetables, fish, *gur*, sugar, meat, etc.

(13) Kudra—Cereals and pulses, vegetables, fish, oils, oilseeds, etc.

(14) Chenari—Cereals and pulses, *ghee*, *hare* and *bahera*, etc.

(15) Natwar—Rice, cereals and pulses, etc.

(16) Nokha—Paddy, rice and oils, etc.

(17) Bikramganj—Cereals and pulses, oil, vegetables, etc.

(18) Bhabua—Cereals and pulses, oil, oilseeds, fish, meat, etc.

(19) Mohania—Cereals, oil, meat, vegetables, etc.

(20) Durgawati—Cereals and oilseeds, etc.

(21) Karmnasa—Cereals, etc.

Centres of wholesale business and mandis.

Regarding centres of trade, the last District Gazetteer mentioned that the internal trade of the district was centred at the bi-weekly markets held in the large villages. Here the villagers and smaller *mahajans* brought their surplus grains on pack bullocks and purchased their daily necessities, such as salt, cloth and oil. The grain was despatched thence in carts to the larger centres of trade on the railway, the Ganges or the Son Canals, such as Arrah, Dumraon, Buxar and Chausa*. Railway and Waterways were the only main trade routes at that time. Carrier trucks were not in use at that time for the transport of goods.

Some of the principal commodities of wholesale business at the moment are paddy, rice, cereals, sugarcane, cloth, mustard oil, *ghee*, spices and vegetables. Many retail dealers of other districts like Saran, Ballia, Ghazipur, Varanasi, Patna have a direct contact with

* *District Gazetteer of Shahabad* by L. S. S. O. Malley (1960), revised by J. F. W. James (1924), page 112.

wholesale dealers of the district. The petty and less resourceful dealers of the district have their dealings with the local wholesale merchants. The Sadar subdivision is the chief paddy and sugarcane producing area in the district. The main produce of the district is rice which is generally sent to Patna, Varanasi and other places in Uttar Pradesh, Calcutta, etc.

The chief centres of wholesale business as mentioned elsewhere are Arrah, Bihea, Buxar, Sasaram, Bhabua, Dalmianagar and Garh Nokha. Each of them is a very busy centre for wholesale business.

The main retail marketing centres in the district are at Arrah, Buxar, Sasaram, Dalmianagar, Bhabua, Dumraon, Bihea, Bikramganj and Mohania. At these places retail shops for the commodities locally consumed are found. Retail shops of some particular articles like radio receiving sets, sewing machines, cycles, etc., are to be found only in the urban areas like Arrah, Sasaram, Buxar, Bhabua and Dehri-on-Sone.

It is reported by the Labour Department that there are about (1963) 6,800 retail dealers and about 311 wholesale dealers at Arrah, Sasaram, Buxar and Bhabua, etc. Retail trading is done in all kinds of commodities like foodgrains, cloth, silk, sugar, *kirana* goods, etc.

Retail sales are generally on cash basis. Among retail trade shops in the district the grocery group is the most important. It has the largest number of shops. Cereals and pulses, spices, jaggery, oil, *ghee,* tea, coffee, cigarettes, indigenous drugs, dry fruits, tinned goods, food stuff, *chura* (fried rice), and a number of other miscellaneous articles are sold in these shops. The value of stock in trade of individual shops varies widely, i.e., from Rs. 1,000 to Rs. 10,000. The retail shop-keepers get their stock from the local wholesale dealers either on cash or credit and there is a good margin of profit. The local wholesalers in their turn obtain the same from various manufacturing centres particularly from bigger places within Bihar or cities like Calcutta, Bombay, Lucknow, Delhi, Varanasi, Kanpur, etc.

Next in importance to groceries comes the sweetmeat and other shops that sell cooked food. There are a large number of them in all the urban areas, large villages and *hats* and fairs. There is a very brisk trade in these shops at the time of religious festivals. The stock in trade of this type of shops varies from Rs. 300 to Rs. 3,000 or more. The number of people having a daily meal at such eating houses is definitely on the increase.

There are a very large number of *Pan, biri* and cigarette shops in the urban areas, large villages, *hats* and *melas.* They have a large turnover in the district. Sale is normally on cash basis. Most of the establishments are one man's establishments. There are separate wholesale dealers for *Pan,* cigarettes and *biris.*

All the towns, large villages and every *hat* and *mela* have shops selling cotton and woollen goods, silk and cotton pieces, *sarees, dhoties,* towels and various kinds of hosiery. They also sell handloom and powerloom products. The capital of these shops is usually large and may even near a lakh of rupees (in Arrah). Sales usually shoot up during festivals and in the months when a large number of marriages take place.

Shops dealing in footwear and other leather goods of Arrah and other urban areas have a large sale and the capital invested will go up to rupees ten thousand.

Shop-keepers 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 chemicals, drugs and medicines stocked is brought mainly from Patna, Varanasi, Calcutta, Bombay, etc.

Hawkers.

Like pedlars in rural areas, their counterpart in urban areas, viz., hawkers, play an important role in the retail trade of the district. There is not, however, much scope for them. But they continue to be prominent in semi-urban areas. They sell comparatively cheaper articles usually in everyday uses, viz., fruits, sweetmeats, snacks, sugarcane juice, cheap utensils, newspapers, toys and a number of other articles of daily use including food-stuff. They are found to be doing their business near the railway stations, bus stands and cinemas. In towns hawkers from nearby areas come to the *bazar* to sell their goods.

Grain Mandi.

Among the grain *mandis,* the *mandi* at Bihea was particularly studied. This is one of the largest grain markets, within the district. The market is well located having both road and railway facility. Commodities are brought by trucks, bullock-carts and pack ponies. There are about 30 big godowns of *Arhatias* (stockists and commission agents). The *Arhatias* usually charge a commission of Re. 1 from the seller and 50 nP. from the buyer for every Rs. 100 worth of cereals. The *Arhatia* will also charge a weighing charge, *Dharmada* and *Dhalta* charges. The rate of weighmen charge is normally 6 nP. per bag of 2½ maunds and is payable by the purchaser. The rate of *Dharmada* is not fixed. It is a small amount realised and the collected money usually goes to a religious trust or a *goshala* or a public institution. *Dhalta* charges are levied on commodities like *ghee* or oil which has to be poured out from one receptacle to another. There is not much transaction involving *Dhalta* charges. In *gur* transaction weighman takes one seer of *gur* and 6 nP. for one cart-load of 8 to 10 maunds of *gur.*

Bihea market has a large transaction of paddy, rice, wheat, *khesari* and *gur*.

The pattern of the other *mandis* is almost the same as the *mandi* at Bihea. The charges, however, vary from one *mandi* to another to some extent.

Vegetable Markets at Arrah.

Among the vegetable markets, the market at Arrah proper was particularly studied. This is one of the largest vegetable markets within the district. The market is well located having both road and railway facility. Vegetables are brought by trucks, bullock-carts and pack ponies. There are about 40 *Arhatias* (commission agents) in the market. The *Arhatias* usually charge a commission of 3 nP. from the seller for every five seers of green vegetables like spinach, cucurbita, brinjals, etc. Besides a commission of 6 nP. is also charged from the seller for a rupee worth of non-green vegetables such as jack-fruit, potato, etc.

Daily arrivals of commodity in maunds.	Places from where imported.	Places where exported.
1. Potato (80)	Supply from within the district.	Places within the district.
2. Ladies finger (60)	Ditto ..	Places within the district and Patna.
3. Jack fruit (100)	Monghyr and Ballia	Places within the district. Supply only in season.
4. Brinjal (30)	Supply from within the district.	Patna, Dinapur and places within the district.
5. Pumpkin (50)	Ditto ..	Patna, Dinapur and local.
6. Onion (200)	Ditto ..	Chapra, Calcutta, Patna, Dinapur. Places within the district.
7. Cucurbita (200)	Ditto ..	Chapra, Patna, Dinapur, etc.
8. Spinach and other perishable green vegetables.	Ditto ..	..

Fish Market at Arrah.

Among the fish markets, the market at Arrah proper was particularly studied. The market is located in the heart of the town having both railway and road facility. Fish arc generally brought by head-load, truck, rail and cart-load. The market is managed by the contractor. He charges 2 annas per basket by the seller. There are about 50 seats for the sellers. The source of supply are the rivers Ganga and Sone and a number of tanks within the district. The important fish of this area are *katla, rohu, hilsa, garai, kabai,* *pothia, jhingwa, bacha, boari, manguri,* etc. The rate of fish ranges from Re. 1 to Rs. 3. The turnover of fish is about 50 maunds daily in this market. The quantity of fish that usually comes daily is not sufficient for local consumption. Very little of sanitary arrangements were seen. There is an abundance of flies. Stale fish is also freely sold.

Arrah also exports some quantity of fish to Dinapur and Patna.

HATS.

Hats are held once or twice a week in a number of villages. They are primary markets for grains and other village produce like grains, vegetables, etc., and clearing markets for a lot of consumers' goods for the villagers like soap, cloth, etc. Generally about 1,000 to 1,500 people from the neighbouring villages congregate at the *hats* to sell and purchase commodities. Some of the *hats* which serve a larger population have a few permanent groceries or sweet-meat shops. Grain merchants come to the *hats* and purchase grains in large quantity. The chief modes of conveyance for carrying goods to the *hats* are the bullock-carts, ponies, pack-bullocks and head-load. Now-a-days carrier trucks also carry goods away from the *hats.*

There are several permanent shops in the *hats* which sell commodities like salt, mustard oil, kerosene oil, *ghee,* pulses, cloth, etc. Big villages also have such shops. The *hats* and the big villages have now a number of *pan-biri* shops, itinerant stalls for selling tea, snacks and sweets. The *hats* play a very important role in the village economy. The *hats* in this district also play the role of a meeting place and social exchanges of ideas but not to the extent they serve the purpose in Chotanagpur or in the Santal Parganas.

Salesmen of various products from vegetable oils to medicines, cosmetics and cigarettes have started utilising the *hats* for propaganda and publicity for their articles. Some of the important *hats* are at Jagdishpur, Piro, Bihea, Shahpurpatti, etc. The scope for further development is immense.

FAIRS AND MELAS.

There are a large number of fairs held throughout the year but more important fairs are held at Brahampur (Brahpur), Buxar, Niazipur, Sirpalpur, Ekawana, Karaghar, Bhaluni, Nuaon, Kuriachak, Kulharia, Sasaram and Jaro.

Brahampur Mela.—This *mela* is held at Brahampur village which is at a distance of two miles from Raghunathpur Railway Station. This fair is important for a very large transaction in cattle. It is held twice in a year, viz., on the occasion of *Falgun Shivaratri* and *Baisakh Shivaratri* and lasts for ten to fifteen days. There is a Shiva temple where people come to offer *puja.* About 20,000 people congregate at Brahampur on such occasions.

Buxar Mela.—Three seasonal *melas* are held at Buxar called *Khichri, Amawas* and *Satwani*. There are generally bathing festivals and are usually attended by about four to six thousand people. The principal articles for sale are piece-goods, brassware, earthenware, other miscellaneous goods and sweets. A large number of people from the other side of Ganga river (Uttar Pradesh) visit these *melas*.

Niazipur Mela.—It is held at Niazipur, P.-S. Dumraon, six miles north of Dumraon Railway Station on the occasion of *Ganga ashnan* in the month of *Kartic*. It is attended by about four thousand people.

Sirpalpur Mela.—It is held at Sirpalpur, P.-S. Brahara in Sadar subdivision twice a year on the occasion of *Basant Panchmi* and *Ram Navmi*. It is a small cattle fair in the district. The turnover of other goods is also considerable.

Ekawana Mela.—It is held at Ekawana, P.-S. Sahar in Sadar subdivision in the month of *Jeth* and *Asarh*. Besides cattle, there is a good clearance of other commodities.

Karaghar Mela.—It is one of the most important cattle fairs in the district which fetches a good revenue to the State. It is held at Karaghar, P.-S. Karaghar in Sasaram subdivision thrice in a year, viz., *Phalgun, Baisakh* and *Jeth*. It lasts for more than a week. There is a large turnover of all kinds of commodities necessary for an ordinary household.

Bhaluni Mela.—It is held at Bhaluni, Police-Station Dinara in Sasaram subdivision twice in a year. There is a temple of *Jakhani Bhawani* at Bhaluni which attracts a large number of devotees. It is usually attended by about 5,000 people and lasts for about a month.

Nuaon Mela.—It is held at Nuaon village, Police-Station Ramgarh in Bhabua subdivision. It is held four times in a year, namely, in the months of *Phalgun, Baisakh, Jeth* and *Kartic*. It lasts for more than a week on each of these occasions.

Kuriachak Mela.—It is held at Kuriachak, Police-Station Chainpur in Bhabua subdivision in the months of *Phalgun, Baisakh, Jeth* and *Kartic*. The *mela* is known as Sheo Shankar *mela* and there is a temple of Shiva in that village. It is one of the largest *melas* in the district. It lasts for more than a week. It is essentially a religious *mela*.

Kulharia Mela.—This fair is held annually on the occasion of *Chait Ram Navmi* at Kulharia, police-station Durgawati in Bhabua subdivision. The main attraction is the temple of *Bhagwatijee*. There is a small cattle fair also.

Gupta Mela.—It is held at Sasaram in the month of February on *Basant Panchmi* day. It lasts for more than a fortnight. It is attended by about 10,000 people. It is mainly a religious *mela*.

Kóthi Mela.—It is held at village Jaso near Buxar twice a year on the occasions of *Ram Navmi* and *Ganga Dasahara.* It is attended by about five thousand people. It is essentially a religious *mela.*

Co-operation in Wholesale and Retail Trade.

Without mutual co-operation between these two sets of dealers business cannot thrive. The wholesalers normally supply the commodities to the retailers on cash basis but credit to reasonable amount based on past relationship and credit of the retailers is also allowed. Credit is not encouraged in perishable goods and in gold and silver business.

Price Control Measures.

Due to the exigencies of the Second Great War there was an abnormal rise of price of certain essential commodities, viz., rice, wheat, cloth, cement, kerosene oil, petrol, etc. It was necessary to control both the supply and consumption of these articles for essential purposes and to ensure that there were adequate commodities to go round to meet the immediate requirements of the civil population at a fair price. The State Government along with the Central Government had to follow a uniform and co-ordinated policy of controlling the supply of such goods which were absolutely necessary for the public. In order to check the spiral rise of price of such articles and to stop the rampant black marketing in them, the scheme of the opening of Fair Price Shops in the urban areas was evolved. A buffer reserve of essential commodities was sought to be built up by the State Government by direct procurement of foodgrains and other articles, stock them in Government godowns at the district headquarters or other places and arrange distribution of such commodities through the licensed Fair Price Shops. The Fair Price Shops were licensed and regularly inspected. A maximum quota of foodgrains and cloth were laid down for each individual in a family unit and for this purpose a survey of the family units was made. Ration cards were issued to the head of the family.

The Fair Price Shops were first started in Shahabad district in 1942 for the supply of rice, wheat, sugar, kerosene oil and cloth, etc. At no stage was there a totalitarian control on these commodities. This had the salutary effect in bringing down the prices of those commodities available outside the Fair Price Shops. Each set controlled the other. Whenever there would be a large supply of the commodities in the market through normal channels, the demand for taking such stuff from the Fair Price Shops would naturally decline. The Fair Price Shops were expected to act as a check against black market in essential commodities. The system continued throughout the War period. No district is now a separate unit but is an integral part of the State and the country at large and so the system of Fair Price Shops is still continuing in some shape or other.

During War period Government had also to exercise control over steel, iron goods and cement but the supply of these commodities was not made through the ordinary Fair Price Shop. These commodities continued to be supplied to the public through their normal agencies but under the restrictions imposed by statutory orders. Licensing system had to be introduced and the distribution of quotas to the agencies was regulated along with the quantity available to the consumers. The consumer had to apply for such goods indicating his requirements and a permit would be given for as much of the commodity as possible. If, however, the supply position was good and no sale through permits was necessary the restriction would be taken off. This system is still continuing for steel, iron goods and cement. The vast development projects throughout the country during the Plan periods, both in the private and public sector naturally have to be given precedence to individual requirements.

Even after the close of the Second Great War, the control on the essential food-stuff as indicated before has had to continue. The ration card system for drawing commodities had stood the test and was allowed to remain. The demand on the Fair Price Shops becomes more acute whenever there is an abnormal rise of prices due to short supply or other reasons. In such circumstances the authorities will immediately see to the supply of the stuff to such shops so that there is no starvation.

The control on the essential food-stuff was abolished in 1950 but had to be reimposed shortly. Due to failure of the Hathia rains in 1951 and 1957 there was an acute shortage of foodgrains and the Government had to open a large number of Fair Price Shops throughout the district. At present (1963) there are ten Government godowns and twelve Supply Inspectors in Shahabad district to distribute grains to the Fair Price Shops.

The Government godowns are located at Arrah town (2), Bihea (1), Buxar town (2), Dumraon (1), Brahampur (1), Bhabua (1) and Sasaram (2).

In this connection reference may be made to the findings of the Agro-Economic Research Centre of Viswa Bharati University Shanti Niketan which had studied the working of the Fair Price Shops in Bihar in 1956-57. From their published report it appears that there was no marked rise in the prices of foodgrains in Bihar till the end of 1955. But by February, 1956 prices were beginning to show upward trends. This made the Bihar Government to decide in favour of opening Fair Price Shops in the city of Patna. In February, 1956, prices of the foodgrains all over the State had risen considerably. *Rabi* crops were damaged in 1956-57 and prices started soaring from the beginning of 1957 and Fair Price Shops had to be opened in other districts as well. But it was observed there were often delays in supply from the godowns to the Fair Price

Shops. Besides the supply at the Fair Price Shops was hardly adequate to do away with the demand in the open market where the prices were slightly higher. The clogging of the machinery at various stages did not allow the Fair Price Shops to work very successfully.

The statement below shows the supply of foodgrains (wheat and rice, etc.) through Fair Price Shops, number of persons benefited, etc., in the district of Shahabad from 1958 to 1962:—

	1958	1959	1960	1961	1962
1	2	3	4	5	6
1. Number of godowns functioning.	17	17	10	10	10
2. Supply of foodgrains (wheat, rice and pulses in maunds).	3,42,298	1,93,290	2,42,740	2,53,360	N.A.
3. Number of Fair Price Shops	629	629	651	651	480
4. Number of persons benefited by Fair Price Shops.	N.A.	6,11,873	23,42,474	4,95,977	4,97,157

N. A.—Not available.

Control on other Articles.

Cement.—The Bihar Cement Control Order, 1948 was introduced in December, 1948, which required dealers to obtain licence and dispose of the stock at controlled rate to permit-holders. In 1958, due to satisfactory position of cement, control over its distribution was relaxed. In 1959, the control over distribution of cement was withdrawn. In 1960, due to restricted movement 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 Subdivisional Officers concerned. In this way the supply of cement is either controlled or uncontrolled as the circumstances require.

The following table will show the number of licences for stocking and selling cement subdivisionwise during (March) 1963:—

Subdivision.	Location and number of licensee.	
Arrah subdivision ..	Arrah proper	13
	Hasanbazar	4
	Dhanauti	1
	Piro	1
	Barahra	1
	Shahpur	1
	Jagdishpur	1
	Bihea	5
	Garhani	2
	TOTAL	29

Subdivision.	Location and number of licensee.	
Sasaram subdivision ..	Sasaram proper	5
	Tilouthu	1
	Dehri	7
	Bikramganj	4
	Sanjhauli	2
	Ghosikalan	1
	Nokha	2
	Nasriganj	2
	Asoshigola	1
	Banjari	1
	TOTAL	26
Buxar subdivision ..	Buxar proper	6
	Dumraon	4
	Gazadhargunj	1
	Chausa	3
	Purana Bhojpur	1
	Raghunathpur	2
	Nawanagar	1
	Brahampur	1
	TOTAL	19
Bhabua subdivision ..	Bhabua proper	3
	Kudra	2
	Mohania	4
	Durgawati	1
	TOTAL	10

There has been a spurt of industrialisation in certain places. There has also been a certain amount of urbanisation and every town and township have had a considerable expansion and better type cement and brick houses are being added. In the villages also such houses are being added. The various development projects in the N. E. S. Block also require a considerable quantity of cement. All these reasons explain the great demand for cement in this district. It may be mentioned here that the district has one cement factory at Dalmianagar and another at Banjari (both in Sasaram subdivision).

Iron and Steel.—At present (March, 1963) there are four registered iron stockists, at Arrah (2), Buxar (1) and Sasaram (1). Allotment of goods is made by the State Government to the stockists through quota certificates. The stockists submit indent to the Iron and Steel Controller, Calcutta. The supply is irregular and does not satisfy the needs.

Kerosene oil.—The Bihar Kerosene Oil Control Order was promulgated in 1949 in this district to regulate the supply and distribution of kerosene oil. In 1952-53 due to foreign supply, i.e., from Burma and other places the position had somewhat improved and in 1953-54 the control on kerosene oil was withdrawn. Since then the supply position has been satisfactory. The price of kerosene oil has gone up due to the new taxation in 1963 but there is no short supply.

Trade Associations.

Association and organisation of traders and merchants play a necessary and important role in the community's economic life. These associations have been formed to foster the interest of the businessmen but they cannot ignore the interest of the consumers.

Some of trade associations at Arrah are listed below:—

(1) Cloth Merchants' Association—Established in 1950—Members—50.

(2) Foodgrains Merchants' Association—Established in 1954—Members—60.

(3) Retail Cloth Dealers' Association—Established in 1940—Members—50.

There is no Consumers' Association in the district. The details regarding labour association will be found in the relevant chapter.

Mode of dissemination of trade news.

Trade news of market generally percolate to the local merchants through letters, daily papers, radio receiving sets, 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 opened under the guidance of Agriculture Department and Marketing Secretary and Inspectors have been appointed who communicate news regarding trade and commerce, and also the fluctuation of daily rates of the market to the traders.

Weights and Measures.

Regarding Weights and Measures W. W. Hunter mentions as follows:—

> "The following tables are given by the Collector:—8 *rati*=1 *masha;* 10 *masha*=1 *tola;* 5 *tola*=1 *chhatak;* 16 *chhatak*=1 *seer;* 5 *seers*=1*paseri*; 8 *paseri*=1 *man* or *maund* of 82 lbs. avoirdupois. This is the standard or *pakka* rate of weight throughout the district; but

in grain and other transactions various local weights are commonly used. These vary, not only from *Pargana* to *Pargana,* but from village to village; and different weights are often used in the same village for weighing different commodities. The number of *sers* in a *maund* varies from 40 to 52, and the weight of the component *sers* also varies. The standard *ser* contains 80 tolas, the *tola* being the weight of the *sikka* rupees, or 180 grains; and no *ser* is heavier than 88 *tolas*. The most commonly used *kachcha* or country *ser* contains only 48 *tolas* or 12 *gandas;* but 48 of these *sers* go to make up the *kachcha maund.* Land measure does not vary to the same extent, the higher of 27,225 square feet being used throughout the district, except in the Bhabua subdivision, where the *bigha* contains only 10,885 square feet. The standard table of square measure is as follows:—20 *dhurki*=1 *dhur;* 20 *dhur*=1 *katha;* and 20 *katha*=1 *bigha.* The *bigha* is measured by a bamboo of 8 feet 3 inches in length, called *lagi, bans,* or *talka.* For cloth measure the ell (*gaz*) of 56 fingers (*anguli*) is in common use, but in Arrah a longer ell of 64 fingers is used by the cloth dealers. According to Dr. Buchanan Hamilton the ell equals 17½ *girah* or 45 *inches.*"*

The bewildering variety of measures was a handicap and it was felt necessary that the weights should be standardised by law. This was done and the weights were standardised with the enforcement of Bihar Weights Act, 1947 made applicable in 1948 by fixing the weight of a standard *seer* at 80 *tolas.* The *seer* became the unit. This was called the *pucca* weight by the rural folks as against the weights used before the enforcement of the Act as the *kachcha* weights. The previous weights have been eliminated from the trade but they still linger in a very small manner among the farmers for weighing their farm produce or to distribute grains to the labourers in rural areas.

The *kachcha* weights had no fixed standard. They are from place to place. The unit is the *Panseri.* This *panseri* consists of 78 *gondas* in Sandesh, Sahar, Ghagha and Dhobba areas and 76 *gondas* in Bikram and Sasaram areas.

This was the condition in so far as foodgrains were concerned. These weights were even more irregular and unstandardised for other measures. Though *tola, massa, ratti* were the units of weights, the jewellers generally used the old silver one rupee coin, eight annas coin, four annas coin, two annas and one anna coins to weigh one *tola* (*Ek bhur*), half *tola* (*Adha bhur*), ¼ *tola* (*Char annas bhur*)

* Form '*A Statistical Account of Bengal, Volume XII*' (Gaya and Shahabad), published in 1877, page 245.

$\frac{1}{8}$ *tola* (*do* annas *bhur*), $\frac{1}{16}$ ***tola*** (***Ek*** **anna** ***bhur***). With the abolition of the silver coins the measures were still more complicated and fell back on the old units of *tola, massa* and *ratti*.

With the introduction of the metric system of weights and measures (1959) the age old system of maunds, *seers, chhataks*, inch, feet and yard have now come to an end but not completely. The Bihar Weights and Measures Enforcement Act, 1959 has been compulsorily enforced in urban areas but some big wholesale dealers still use old weights in the markets. This is illegal and for the implementation of the current weights being strictly used, the Government of Bihar has appointed four Inspectors, posted at Arrah, Sasaram, Buxar and Bhabua. The Inspectors are expected to visit the *bazars* in their jurisdiction and check the weights and measures in use. In 1960-61 and 1961-62, 494 number of old weights and 133 old scales, 1,578 old weights, 133 old scales were seized respectively by the Inspectors. During 1960-61 and 1961-62, Rs. 7,015,25 and Rs. 6,425.52 were realised from the shopkeepers as a verification and stamping charge.

The Inspectors of Weights and the Metric Officer of this department have been entrusted with publicity and propaganda work to explain to the masses the present metric system. The Inspectors have also to instruct the *Mukhiyas, Gram Sewaks* and the Village Level Workers so that they could teach others. One set of metric weights from 50 kilograms to 100 grams has been supplied to every block for exhibition.

Standard weights are manufactured by *bona fide* licensed dealers. They sell standard weights. There are (March, 1963) seven dealers—at Arrah proper—2, Buxar—2, Mohania—1, Sasaram—1 and Dehri-on-Sone—1. The chart that follows gives the conversion tables:—

Conversion Factors.

Length—

1 inch=2.54 centimetres.
1 foot=30.48 centimetres.
1 yard=91.44 centimetres.
1 mile=1.61 kilometres.
1 nautical mile (UK)=1853.18 metres.
1 nautical mile (international)=1852 metres.

Area—

1 square foot=0.093 square metre.
1 square yard=0.836 square metre.
1 square mile=2.59 square kilometres.
1 acre=0.405 hectare.

Volume—

1 cubic foot=0.028 cubic metre.

Capacity—

1 gallon (Imperial)=4.55 litres.
1 seer (80 tolas)=0.937 litre.
1 Madras measure=1.77 litres.

Weight—

1 tola=11.66 grams.
1 chhatak=58.32 grams.
1 seer=933.10 grams.
1 maund=37.32 kilograms.
1 palam=34.99 grams.
1 seer (24 tolas)=279.93 grams.
1 viss=1.40 kilograms.
1 maund (Madras)=11.20 kilograms.
1 candy=223.94 kilograms.
1 ounce=28.35 grams.
1 pound=453.59 grams.
1 hundredweight=50.80 kilograms.
1 ton=1016.05 kilograms.

Temperature—

t° Fahrenheit=9|5 (T° centigrade)+32.

Metric Weights and Measures.

Length—

10 millimetres=1 centimetre.
100 centimetres=1 metre.
1,000 metres=1 kilometre.
1,852 metres=1 nautical mile (international).

Area—

100 square millimetres=1 square centimetre.
10,000 square centimetres=1 square metre or centiare.
100 square metres=1 are.
100 ares=1 hectare.
100 hectare or 10,00,000 square metres=1 square kilometre.

Volume—

10,00,000 cubic centimetres=1 cubic metre.

Capacity—

1,000 millilitres=1 litre.
1,000 litres= 1 kilolitre.

Weights—

1,000 milligrams=1 gram.
1,000 grams=1 kilogram.
100 kilograms=1 quintal.
1,000 kilograms=1 tonne.
200 milligrams=1 carat.

Abbreviations for Metric Units.

(1) DECIMAL MULTIPLES AND SUB-MULTIPLES

Prefix.	Value in terms of unit.	Abbreviation.
kilo	1000	k
centi	0.01 (10^{-2})	c
milli	0.001 (10^{-3})	m
micro	0.000001(10^{-6})	u

(2) WEIGHTS

Denomination.	Value.	Abbreviation.
tonne	1000 kg	t
quintal	100 kg	q
kilogram	1 kg	kg
gram	1 g	g
milligram	1 mg	mg
carat	200 mg	c

(3) CAPACITY		
kilolitre	1, 000 l	kl
litre	1 l	l
millilitre	1 ml	ml
(4) VOLUME		
cubic metre	m^3	m^3 or cu m*
cubic centimetre	cm^3	cm^3 or cu cm*
cubic millimetre	mm^3	mm^3 or cu mm*
(5) LENGTH		
kilometre	1 000 m	km
metre	1 m	m
centimetre	1 cm	cm
millimetre	1 mm	mm
micron	1/1 000 mm or — 10^{-3} mm	um
(6) AREA		
square kilometre	1000000m^2	km^2 or sq km*
square metre	1m^2	m^2 or sq m*
square centimetre	1 cm^2	cm^2 or sq cm*
square millimetre	1 mm^2	mm^2 or sq mm*
(7) LAND MEASURE		
are	100 m^2	a
hectare	100 a	ha
centiare	m^2	ca

Rules for Abbreviations.

(1) Do not make any change, such as addition of 's' to indicate plurality, e.g., write 1 kg. 10 kg, 20 9, 5 g, 10 t, 20 ml, 27 l, 165 km, 2 mm, 100 cm, 66 km.

(2) Do not capitalize the abbreviations. For example, do not write 1 Kg, 2 Kg, 20 MM, 50 MM; the right way is to write 1 kg, 2 kg, 20 mm, 50 mm, 35 c.

(3) Do not use any other abbreviations except those given above.

* Brth these abbreviations are current, but the first set should preferably be used. The former abbreviation is used internationally.