

CHAPTER VI

BANKING, TRADE AND COMMERCE

BANKING
AND FINANCE

History of
Indigenous
Banking in
the district

The village money-lenders, namely, *sahukars*, *mahajans* and *beparis* constituted the main bulk of the indigenous bankers for several centuries. The money-lenders of Boudh subdivision who were primarily wealthy agriculturists played an important role in the rural economy of the subdivision and were the only agency engaged in providing agricultural finance, but usually at exorbitant rate of interest which differed from place to place. Money-lenders belonging to the adjoining districts, chiefly from Ganjam district, came to Khondmals subdivision and Baligurha subdivision and carried on their business. They lent money against pledge of gold ornaments, silver ornaments, land or standing crop in the field. The crop in the field was usually purchased by the money-lender himself during the harvest time at a nominal rate and the price was adjusted against the loan including the interest. Loans were advanced clandestinely and dubious ways of collection of arrear were adopted by the money-lenders. The Kandhas often pay off their debts by sending a son or a younger brother to work in their creditor's house without wages, but in any case, the labourer must be fed and clothed.

The economy of the district is not only unorganised but also non-monetised. The non-monetised economy has given rise to all kinds of exploitations because the tribal people cannot get a good price for the forest and agricultural produce that they sell in the market. They are cheated in weights and measures and are not actuated by monetary incentives to produce more. Monetary economy, in spite of all its evils, helps in promoting economic incentives and generalising purchasing power and thus making a smooth transition from a primitive economy to modern economy. This has not happened in the tribal areas of the district to an appreciable extent.

However, in recent years graingollas, co-operative societies, marketing societies and Banks have entered into the field with the aim to advance paddy loan and monetary loan to the needy people consisting of both the Adivasis and the non-Adivasis. The first institutional Banking organisation came into existence in 1955 with the inauguration of the Boudh Central Co-operative Bank, Ltd., Boudh.

General Credit facilities available in the district

An economic survey* conducted by the Government of Orissa in 1954-55 revealed the indebtedness of the cultivating families only. Nevertheless, since these families form the over-whelming majority,

* Economic Survey of Orissa (1954-55), Vol. I, by Prof. Sadasiv Misra

the condition with regard to their debt will be a broad picture of the state of rural indebtedness. Besides, the survey took into account only those loans which remained undischarged at the time of investigation. Loans which were fully redeemed during the year of survey were not taken into account.

The survey revealed that debts were incurred for family consumption which accounted for 55.34 per cent. To meet the expenditure on social ceremonies and for paying old debts 12.28 per cent of the total debt were incurred. These were responsible for 67.62 per cent of the total debt of the farmers which were distinctly burdensome. Of the total debt 32.38 per cent were incurred for various productive purposes, of which 18.93 per cent accounted for expenditure on cultivation, 2.05 per cent for purchase of land and bullocks, and 8.08 per cent for investment in business.

As regards the source of credit, the chief source was the money-lender. The data revealed that 69.09 per cent of the total amount of debt were obtained from money-lenders. Some of them were professional and some others agriculturists. On certain occasions, some farmers were able to secure loans either from friends or from Government or co-operative societies, but these constituted only 25.8 per cent.

Loans were incurred not merely in cash but also in kind and the interest charged by one money-lender from the same customer in respect of loans in cash and in kind are also different. As the data revealed 71.69 per cent and 28.31 per cent of the total debt were incurred in cash and in kind respectively. Some loans were secured under usufruct system, according to which the money-lender took the produce of the land mortgaged towards the interest and sometimes for part payment of the loan. But this system is on the decline. As the data revealed, 5.27 per cent of the total loan were secured under usufructuary mortgage.

Of the total loan, 42.59 per cent carried 50 per cent and above as the rate of interest. Besides, 22.93 per cent of the loan carried 25 per cent and 1.74 per cent of the loan carried 37.3 per cent as the rate of interest. It is indeed a matter of concern that 67.26 per cent of the total loan of the agriculturists bore an interest of 25 per cent and more. About 5.71 per cent of the loan carried 12.5 per cent as the rate of interest. Loans at 3.5 per cent, 6.25 per cent and 9.5 per cent appear reasonable, but only 18.11 per cent of the total rural credit were obtained at such rates of interest. These rates were charged

usually in cases of loans from Government agencies and co-operative banks. Of the total loan 3.58 per cent carried no interest which were usually lent out by friends and relatives for a short period.

Role of private money-lenders and financiers

In recent years, there has been considerable growth in the number of co-operative credit societies and banks. But the influence of private money-lenders has not diminished in the district. The money-lenders charge high rates of interest than other agencies but still they are popular, because, firstly, they are easily approachable; secondly, borrowers have not to undergo any redtapism; thirdly, they sometimes advance loans without any landed security; so, borrowers have no fear of attachment of property. In the urban areas some people are lending money at an exorbitant rate of interest. In spite of the high rate of interest, people take loan from such persons as it is available to them easily at the time of their need.

The district is inhabited largely by Adivasis and other backward classes. The economic condition of these people is not sound. Indebtedness is, therefore, common with them. They borrow heavily from money-lenders mostly in the lean season. Most of the families are born in debt, live in debt and die in debt. They are improvident in their habits and always need money to fulfil social obligations and rituals which results in exploitation by the unscrupulous money-lenders. Small amounts of money borrowed at usurious rates of interest from time to time snowball into a sum beyond their capacity to repay and what little they possess by way of land, ornaments, utensils, cattle, etc., are snatched away by the money-lender in partial satisfaction of the debts. It is also reported that the money-lenders advance small amounts of loan from time to time ranging from Rs. 5 to Rs. 30 and realise the principal along with the interest in ten equal instalments on weekly market days. A loan of Rs. 10.00 for example, is recovered by the money-lender in ten instalments of Rs. 1.25 per week, spreading over a repayment period of ten weeks. The rate of interest thus charged is Rs. 2.50 per ten rupees for ten weeks which works out to 130 per cent annually. Money-lenders who are traders, take the fullest advantage of the barter system. The measures adopted by the Government to check these exploitations have only met with limited success.

The money-lenders now operate under severe restrictions imposed by the Orissa Money-lenders Act, 1939 and the Orissa Money-lenders Amendment Act, 1975. By these Acts, the money-lender is required to register himself and obtain a licence for carrying on the business. He is also required to maintain regular account books and to submit statement of accounts to the licensing authority. The rate of interest on different types of loans have been legally fixed, such as, simple

interest of 9 per cent per annum in case of secured loan and up to 12 per cent per annum in case of unsecured loan. A money-lender is punishable with imprisonment or pecuniary fine or with both in case of default. The offences punishable under this Act are non-cognisable. Besides, the Government have amended the Orissa Co-operative Societies Act so that people can avail loans easily. Paddy loan is advanced under Crop Loan System to the agriculturists at the time of their need. Moreover, the commercial banks have come up to necessary credit assistance to the agriculturists and others for productive purposes at a low rate of interest which forced the private money-lenders to be somewhat moderate in their demand.

It is difficult to give any reliable statistics of the number and volume of business of the money-lenders. There are many unregistered money-lenders carrying on business without a licence. According to the Census of 1961, 819 persons (810 in rural areas and 9 in urban areas) were operating as money-lenders. But it is noticed from records that in 1969-70, there were 59 registered money-lenders in the district, of which 42 belonged to Boudh Tahsil, 2 to Khondmals Tahsil, 8 to Baligurha Tahsil and 7 to G. Udayagiri Tahsil.

There are three commercial banks, viz., the State Bank of India, the Indian Bank and the United Commercial Bank operating in the district. The first branch office was opened in the district by the State Bank of India on the 29th February 1960 at Phulabani, the district headquarters. The other branch offices of the Bank are located at Boudh, Baligurha, G. Udayagiri, Khajuriparha, Purunakatak, Tikabali, Tumundibandh, Kotagarh, Daringbarhi, Chakapad, Nuagan and Butapali. The Indian Bank has opened branch offices at Boudh and Manamunda. The United Commercial Bank has opened branch offices at Charchhak, Kalinga, Phulabani, Phiringia and Raikia.

Commercial
Banks

Between 1967 and 1970 the Bank's deposits (the State Bank of India) in the district decreased by 4 per cent chiefly due to the withdrawal of fixed deposits that matured. But the number of fixed deposit accounts increased by 66 per cent. Current deposits which fluctuated from year to year decreased by 37 per cent though current deposit accounts increased by 32 per cent. Savings Bank deposits and Savings Bank accounts increased by 132 per cent and 36 per cent respectively. At the end of 1970, current deposit constituted 33 per cent, savings bank deposits 49 per cent, and fixed deposits 18 per cent of the Bank's total deposits in the district. The average balance per savings bank account, current account and fixed deposit account was Rs. 1,198, Rs. 2,721 and Rs. 956 respectively. The average deposit per office was Rs. 1.78 lakhs at the end of 1970. During this period (1967 to 1970) the Bank advanced 12.02 lakhs to 28 account-holders.

As on March, 1977, the total deposits and advances of all the Banks operating in the district were Rs. 1,67,99,000 and Rs. 33,90,000 respectively. The ratio of credit deposits was 20·18 per cent. Out of the total advances, Rs. 2·81 lakhs were advanced to 325 account-holders for establishing small-scale industries. An amount of Rs. 1·18 lakhs to 51 account-holders, Rs. 3·82 lakhs to 586 account-holders, Rs. 3·68 lakhs to 379 account-holders and Rs. 74,000 to 238 account-holders were advanced for road and water transport, agriculture, retail trade and small business and to professional and self-employed persons respectively. The percentage of this priority sector advances to total advances is 36·07 per cent.

Post Office
Savings
Banks

Post offices are the most important agencies for the savings of the people especially in the interior areas. The number of account-holders in the post office savings banks is increasing steadily from year to year. In March 1970, there were 10,614 account-holders which rose to 30,936 in March 1978. The district has achieved first rank in the State for securing the highest percentage of net collection in the small savings schemes. In 1977-78 (April to March), in Post Office Savings Banks there were 24,278 account-holders and an amount of Rs. 1,45,89,032 was standing at the credit of the account-holders. In Cumulative Time Deposits, during this period, there were 1,675 account-holders and an amount of Rs. 11,78,978 was standing at the credit of the account-holders. In Post Office Recurring Deposits, there were 4,898 account-holders in March 1978, and an amount of Rs. 9,12,800 was standing at the credit of the account-holders. In Post Office Time Deposits, there were 85 account-holders in March 1978, with an amount of Rs. 3,07,420. The savings in National Savings certificates in 1977-78 were Rs. 38,59,000.

Co-operative
Banks

In the co-operative sector there are 24 Large-sized Multipurpose Co-operative Societies, 40 Service Co-operative Societies, 3 Employees' Co-operative Societies, one Land Development Bank and one Central Co-operative Bank.

The Boudh
Central Co-
operative
Bank Ltd.

The Boudh Central Co-operative Bank Limited, was established in May, 1955 with its headquarters at Boudh. It has three branch offices at Baligurha, Manamunda and Phulabani. The Bank is the only financing agency in the district in the co-operative sector and finances all co-operative societies. The major portion of its funds goes to the affiliated primary credit societies. It accepts various types of deposits from the affiliated societies, local bodies and the public. Besides, the Bank has undertaken to handle bill business. The membership of the Bank up to June, 1977, consisted of 111 co-operative societies, 23 individuals and the State Government.

At the end of June, 1977, the Bank had a share capital of Rs. 20,49,420. The deposits, reserve fund, borrowings and working capital of the Bank were Rs. 58,41,104·94, Rs. 3,06,083·07, Rs. 68,03,000 and Rs. 1,62,34,000 respectively. The Bank has invested a sum of Rs. 3,53,000 in other Banks. Up to June, 1977, the outstanding loan of the Bank was Rs. 1,17,30,000. During the year 1976-77 (July to June) the Bank made a net profit of Rs. 65,000 and the percentage of collection over demand was 67·17 per cent.

There is one Land Development Bank functioning at Boudha. It was established in 1966. At the end of June 1977, the Bank had a membership of 3,557 persons. The working capital was Rs. 39,62,992 of which paid up capital was Rs. 2,57,145. The reserve fund, borrowings and deposits were Rs. 3,164, Rs. 32,48,180 and Rs. 55,797 respectively. The outstanding loan at the end of June 1977, was Rs. 30,79,978. During 1976-77 (July to June) the Bank advanced Rs. 3,01,393 as loan to 78 members for purchasing pumpsets, for digging wells and for land improvement. The Bank made a net profit of Rs. 6,931 during the year and the percentage of collection over demand was 15·6 per cent.

Land Development Bank

In June 1977, there were 24 Large-sized Co-operative Societies with a total membership of 42,902 persons of which 21,525 belonged to the Scheduled Tribes and 11,871 to the Scheduled Castes. These Banks had a total working capital of Rs. 125,17,122 of which share capital was Rs. 21,03,773. The reserve fund and deposit were Rs. 1,11,139 and Rs. 1,70,873 respectively. The outstanding loan was Rs. 65,95,322. These Banks advanced Rs. 30,62,070 as loan to 7,147 members during the year 1976-77. The percentage of collection over demand was 25·41 per cent. Twenty-one societies made a net profit of Rs. 2,53,209 and three societies made a loss of Rs. 9,401 during the year.

Large-sized Co-operative Societies

In June 1977, there were 40 Service Co-operative Societies with a total membership of 29,525 persons of which 4,642 belonged to the Scheduled Tribes and 6,241 to the Scheduled Castes. These societies function at village level as the agencies for distribution of agricultural inputs and agricultural credit to the farmers. The societies had a working capital of Rs. 1,34,95,015 up to the end of June 1977 of which paid up capital was Rs. 17,90,980. The reserve fund and deposit were Rs. 81,385 and Rs. 4,77,722 respectively. The outstanding loan was Rs. 76,90,192. In 1976-77 the societies advanced Rs. 18,25,019 as short-term loan and Rs. 15,25,812 as medium-term loan to 5,049 members. The percentage of collection over demand was 30·88 per cent. Twenty-six societies made a net profit of Rs. 2,06,666 and fourteen societies made a loss of Rs. 44,498.

Service Co-operative Societies

Employees' Credit Co-operative Societies

In June 1977, there were three Employees' Co-operative Credit Societies operating in the district of which two were located at Boudh and one at Phulabani. The total membership of these societies was 215 persons. At the end of June 1977, the societies had a total working capital of Rs. 67,214 of which paidup capital was Rs. 8,172, reserve fund Rs. 21.00 and deposits Rs. 915.00. The total borrowing and loan outstanding were Rs. 46,492 and Rs. 41,793 respectively. The societies made an advance of Rs. 1,000 during the year 1976-77 (July to June).

Lift Irrigation Co-operative Societies

In June 1977, there were 7 Lift Irrigation Co-operative Societies located at Ratanga, Urumunda, Budhadani, Harabhanga, Sampoch, Dhalapur and Ramagarh. The societies had a total membership of 89 persons with 22 hectares of land under their command. Up to the end of June 1977, the societies had a working capital of Rs. 42,547. During 1976-77 (July to June) three societies made a net profit of Rs. 2,049, two societies made a loss of Rs. 1,664 and two societies made no loss or profit.

General and Life Insurance Life Insurance Corporation of India

The Life Insurance Corporation of India has no separate branch office in the district. The district comes under the jurisdiction of the branch office at Berhampur (Ganjam district) under the administrative control of a Branch Manager. A Development Officer, under the administrative control of the Assistant Branch Manager, Bhanjanagar Development Centre, has been posted at Phulabani to improve the insurance business. A portion of the district has also been allotted to another Development Officer stationed at Bhanjanagar. Most of the life insurance policies are made by the government employees and business people.

The following table shows the number of policy holders and the quantum of business done during the years 1972-73 to 1976-77.

Year		Number of policy holders	Quantum of business (in rupees)
1		2	3
1972-73	..	108	12,00,500
1973-74	..	174	22,50,750
1974-75	..	147	10,43,000
1975-76	..	209	29,39,500
1976-77	..	166	16,62,500

In the district four general insurance companies, viz., the Oriental Fire and General Insurance Company, Ltd., the New India Assurance Company Ltd., the United India Fire and General Insurance Company Ltd., and the National Insurance Company, Ltd., are functioning. These are subsidiary companies of the General Insurance Corporation of India and doing insurance on fire, burglary, cattle, Kendu leaves, automobiles, etc.

General
Insurance
Corporation
of India

Up to March 1978, a sum of Rs. 1,95,000 was advanced as loan to 33 entrepreneurs by the State Government under the Orissa State-Aid to Industries Act. The Orissa State Financial Corporation has granted a loan of Rs. 2,10,000 to three small-scale industrial units. The Orissa State Industrial Corporation has granted as loan Rs. 35,000 to one educated unemployed entrepreneur under the unemployed Graduate Scheme to set up a leather goods manufacturing unit. The Director of Industries, Orissa, has granted Rs. 66,000 to six handicraft societies under the Rural Industries Project. Besides, the State Government have invested Rs. 2,25,000 in shape of share capital for the development of Panchayat Samiti Industries at Baligurha, Phulabani and Tileshwar.

State Assistance to
Industrial
Development

In the past, Cowries (*cypraea moneta*) played a great role in the currency system of Orissa. The earliest historical reference to it, however, is contained in the copper plate grant of Subhakara II of the Bhauma dynasty of Orissa of whose kingdom Khinjali mandala (Boudh-Daspalla region) was a part. In the stone inscriptions of the Ganga dynasty and the Solar dynasty the use of Cowry currency find mention. During the Mughal rule, the Maratha rule and the early British rule in Orissa as well as in the district the same system continued. In 1808, the British Government introduced their own coins called Sicca rupee which caused an abnormal fall in the price of Cowry upsetting the whole monetary system and causing misery and hardship to the people at large. However, trade and commerce was insignificant in the Khondmal areas, barter being the most usual method of exchange.

Currency
and Coinage

The East India Company circulated their own coins in the British possessions in India. These coins and paper currency were also in circulation in the ex-State of Boudh and the Khondmals which now comprise the Boudh-Khondmals district.

The decimal system of coinage was introduced in the district in 1959 alongwith British coins. Gradually British coins were withdrawn from circulation, and people are now adapted to the decimal system of coinage. Coins and paper currency of different denominations of all-India standard are in circulation.

TRADE AND
COMMERCE
Course of
Trade

In ancient times, there was a trade route from Kosala to Kalinga passing through this district via Boudh. In the district there is the Kalinga Ghat which connects Boudh with Berhampur in Ganjam district. Boudh can be easily reached via Anga valley in Balangir district. The Mahanadi on the northern and the Tel on the western boundaries of the ex-State of Boudh offered good facilities for water carriage. The road from Cuttack to Sambalpur along the southern bank of the Mahanadi traversed the entire length of the ex-State of Boudh. Trade followed this route from December onwards till the break of rains.

At present, there is no railway in the district and the nearest railway station is Berhampur (165 km. from the district headquarters) in Ganjam district. No National Highway passess through the district. Three State Highways pass through the district which maintain direct communication with all the adjoining districts. The State Highway No.7A runs between Kalinga and Baligurha. Besides, there are Major District Roads, District Roads and village roads which serve as the internal communication of the district. Trade is being carried on through these routes. However, the interior places of the district are not well connected by road.

Imports and
Exports

Pre-Independence
Period

Trade in Khondmals was insignificant, the people merely exporting their local produce in exchange for such commodities as they required. Turmeric of a much valued quality was annually exported by traders who came round annually with their pack-bullocks. Oil-seeds, cereals, mahua, hides, horns, wax, honey and shellac were the other important commodities exported to Ganjam district. The imports consisted of the commodities, such as, salt, spices, piece-goods, kerosene oil, brass ware, *ghee* and dried fish brought by the small traders mostly for barter in the district.

In the ex-State of Boudh in ordinary years the produce of rice, food grains, and oil-seeds was in excess of requirements. A considerable trade was carried on by traders who came from Cuttack in the rainy season and exported the excess produce on boats down the Mahanadi. In the cold season carts worked their way up from Cuttack and even from as far south as Ganjam and traded in *rashi* (sesamum). Turmeric, brought down from the Khondmals, was also exported in large quantities. There was also a fair trade in forest products, such as, lac, myrobalans, bamboos and small timber for rafters. Sleepers were also floated down the river to Cuttack.

Post-Independence
Period

Trade and commerce in the district are mainly agro-based and forest-based. Trade relation of the district is mainly with the adjoining district of Ganjam. Berhampur is the nearest town and

rail-head which controls mostly the trade of the district. The exports of the district are also mainly channelised through Berhampur. The southern part of the district has trade links with Munigurha, a rail-head in Koraput district. The Boudh Tahsil area has trade links with the adjoining districts, such as Balangir, Sambalpur and Dhenkanal.

The chief exports of this district are turmeric, oil-seeds, *arhar*, blackgram, greengram, maize, tamarind, hill-brooms, *siali* leaves, ginger, arrowroot, resin, *genduli* gums, *sunari* bark, timber, firewood, bamboo, *mahua* flower, *mahua* seed, *bidi* leaves, tobacco, chilli, oil-cakes and tanned leather. The important commodities imported are rice, fertilizers, grocery, iron and steel goods, cement, kerosene oil, salt, stationery, medicines, vegetables, piece goods, agricultural implements, petrol, oil, clothes, sugar, wheat, etc. Road transport handles the entire trade of the district.

According to the Census of 1961, 4,138 persons or 1.4 per cent of the workers were engaged in trade and commerce. Out of them 3,105 were males and 1,033 were females. Of the total number of traders 70 were engaged in wholesale trade, 3,947 in retail trade and 121 carried on miscellaneous business. Out of the total number of retail traders 100 persons or 2.5 per cent dealt in cereals and pulses. There were 1,030 shops, including shop-*sum*-residence, restaurants, etc. of which 939 were in rural areas and 91 in urban areas.

Trade centres

In April, 1971 there were 100 licensed wholesale traders of which 95 were engaged in agricultural commodities and 5 in non-agricultural commodities. There were 286 licensed retail traders. Besides, there were many unlicensed retail traders and petty shopkeepers in towns and in important rural centres. Baligurha Tahsil had the largest number of wholesalers followed by G. Udayagiri, while Boudh Tahsil had the largest number of retailers followed by Khondmals Tahsil.

The shops in rural areas deal mostly in articles of daily necessities of the local people, such as, cereals, pulses, salt, oil, sugar, molasses, spices and groceries. The shops in the urban areas are comparatively better equipped to meet the requirements of the town people as well as the rural folk. The main commercial centres of the district are Boudh, Phulabani, Tikabali, Raikia, Baligurha, G. Udayagiri, Puranakatak, Kotagarh and Manamunda. Tikabali is noted for trade in minor forest products like tamarind and *siali* leaves. Raikia is noted for trade in turmeric, hill-brooms and tamarind. Baligurha is known for pulses, niger and mustard. The traders at these places are mostly non-Adivasis and outsiders. There are many weekly markets throughout the district which are important channels of local trade.

- Phulabani** Phulabani is the district headquarters and is 165 kilometres on road from Berhampur, its rail-head, to which it is connected by regular bus service. There are also bus services from Phulabani to all the subdivisional headquarters of the district. Bhanjanagar in Ganjam district is the nearest trading place. Trade and commerce have developed at Phulabani, which is the headquarters of the district. The town have mostly retail traders. There are a few wholesale merchants also who transact business mostly in turmeric, oil-seeds, pulses and minor forest products. There is a daily market and a few shops which deal in various articles of daily necessities and luxuries. The weekly market sits here on every Wednesday.
- Baligurha** Baligurha is the subdivisional headquarters of a subdivision of the same name and is situated at a distance of 83km. from the district headquarters. The principal crops grown in the area are paddy, maize, *arhar*, niger, mustard, blackgram, greengram and turmeric. There are a few retailers at Baligurha. On the weekly market days there is a large gathering of merchants, wholesale traders and money-lenders. People of the area sell their local produce and purchase articles of their daily necessities as well as other requirements. There is a daily market and a few shops which deal in various articles of daily necessities and luxuries. Near Baligurha there is a village called Kutikia which is famous for mats prepared out of rush and grass. It is strong and durable.
- Kotagarh** Kotagarh is the headquarters of a Community Development Block. Paddy, ragi, turmeric, niger, mustard and tamarind are the important crops of the area. There is a weekly market which sits on Tuesday and hundreds of people including traders and money-lenders gather here. Besides, there are a few shops at Kotagarh which deal mostly in stationery, cloth, utensils and grocery.
- Khajuriparha** Khajuriparha is the headquarters of a Community Development Block of the same name and is situated at a distance of 24km. from the district headquarters. The principal crops grown in the area are paddy, maize, blackgram, niger, mustard, ragi and turmeric. The important forest produce of the area are bamboo, *mahua*, firewood, timber and charcoal. These produces are exported outside the district by merchants coming mostly from Ganjam, Cuttack and Puri districts. An important weekly market sits here on every Sunday.
- Raikia** Raikia is the headquarters of a Community Development Block of the same name and is situated at a distance of 80 km. from the district headquarters. The principal crops grown in the area are maize, *arhar*, ragi, niger, mustard, tamarind and turmeric. The important forest products are *siali* leaves, hill-brooms, timber, firewood and charcoal. A branch of the United Commercial Bank is functioning here. Raikia is an important

market centre of the district so far commercial crops like turmeric, ginger, niger, mustard and tamarind are concerned. It is an important centre for exporting hill-brooms outside the district as well as the State. A big weekly market sits here on every Monday with a large gathering of people including wholesale traders and retail traders. The arrival of commodities on each market day is estimated at Rs. 2,00,000 and above. Turmeric, tamarind, pulses, oil-seeds and forest products to the tune of rupees one to two crores are transacted here annually. The Agency Marketing Co-operative Society, Ltd., at Tikabali has opened a branch here. There is also a Regional Marketing Co-operative Society. It is a sub-yard of Tikabali Regulated Market.

G. Udayagiri is the headquarters of a Tahsil of the same name and is situated at a distance of 58 km. from the district headquarters. It serves both as a centre of wholesale trade and retail trade. Commodities, such as, rice, pulses, oil-seeds, vegetables, turmeric, cattle, forest products and daily necessities of life are transacted here. There is a daily market as well as a weekly market which sits on every Saturday. It is a sub-yard of Tikabali Regulated Market. There is a Cold Storage Co-operative Society with a working capital of Rs. 15,73,422 and a storage capacity of 1,500 metric tons.

G. Udayagiri

Tikabali is an important trading place of the district and is situated at a distance of 37 km. from the district headquarters. It is predominantly inhabited by the Adivasis. Hill-broom, *mahua* flower, *mahua* seed, *siali* leaves, myrobañan, bamboo and timber are the important forest products of the area. Tikabali is noted for trade in these forest products. The important crops grown in the area are paddy, maize, turmeric, millets, pulses and oil-seeds. Mango and jack-fruits are available abundantly. Poultry-keeping and goat-rearing are the favourite subsidiary occupations of the Adivasi people. A big weekly market is held here on every Friday where various commodities are sold both in wholesale and retail. On the other days the local people either carry their commodities to village Sahukars, to the purchasing centres opened by the Tikabali Agency Marketing Co-operative Society or to the Purchase, Sale and Fair Price Shops. The Tikabali Agency Marketing Co-operative Society, Tikabali, is of immense benefit to the local Adivasis in safeguarding their economic interest by ensuring them fair price for their commodities and saving them from the clutches of unscrupulous money-lenders and traders.

Tikabali

Boudh lies in a very fertile region by the side of the river Mahanadi. It is well connected by road with the district headquarters (70 km.) and with Balangir (100 km.) in Balangir district. It is the subdivisional headquarters of a subdivision of the same name. There are a few big farmers in Boudh. The important crops grown in the area are paddy of improved varieties, and pulses. Wheat, potato, cotton and sugarcane

Boudh

are the crops introduced newly which are gradually becoming popular. In the areas with irrigation facility multiple cropping is practised. A number of fishermen live here who carry on trade in riverine fish on a moderate scale. Handloom weaving is the principal household industry in the area.

There are a number of merchants at Boudh who transact business mostly in paddy, pulses, timber, cloth, oil-seeds, vegetables and essential consumer goods. There is a daily market and a weekly market. The weekly market sits on every Saturday where a large number of consumer goods and agricultural commodities are assembled.

Rural
Market
Centres

In rural areas greater portion of the local trade is carried on at various markets (*hats*) usually held once or twice a week. At these markets villagers dispose of their surplus stocks of rice, pulses and other local produce and make purchases of cotton or piece-goods, trinkets, utensils, spices, sweetmeats, tobacco, kerosene oil, salt, fancy articles, etc. These weekly markets are the most important channels of agricultural marketing of the district. The average distance covered by the people of the district to bring commodities to the nearest market centre is 13.5 km. The economy is not yet monetised and, as a matter of fact, barter system prevails on a large scale. The Scheduled Tribes and the Scheduled Castes people of the district live mostly in far off interior places and these village weekly markets are of great economic importance to them since they sell their local produce in exchange of their daily necessities and luxuries. Merchants from local urban areas as well as from outside the district visit these markets for purchasing goods at a lower rate. Trade in cattle is also carried on in some of the big weekly markets. Fowls and eggs are also available in these markets. Tikabali, Rajkia, Phulabani, Boudh, Purunakatak, Khajuriparha, Kotagarh, G. Udayagiri and Baligurha are the big weekly markets of the district.

A list of rural marketing centres is given in Appendix I of this Chapter.

Regulated
Markets

The object of the regulated markets is to regularise the purchase and sale of agricultural commodities with benefits to the sellers as well as the buyers. The producers are provided with market intelligence and ensure a fair price by eliminating various middlemen. Market practices relating to bidding, weighing and delivery of goods are regulated and payment of the actual value to the cultivator is assured.

The Tikabali
Regulated
Market

The Tikabali Regulated Market is the only regulated market in the district and was inaugurated on the 2nd April, 1958 at Tikabali. The market area (i. e. the area for which a regulated market is established) comprises the entire G. Udayagiri Tahsil, except Indragada Grama Panchayat; Phiringia, Kelaparha and Bandhagarh Grama Panchayat

areas of Khondmals subdivision; and Gunjivadi and Sarangagarh Grama Panchayat areas of Baligurha subdivision. The main market-yard at Tikabali comprises one acre of land on a portion of which stands the office building. G. Udayagiri and Raikia are the sub-yards of this market. The management is carried on by a Market Committee consisting of 15 members representing agriculturists, traders and members nominated by the Government and the local authorities.

The following are declared as regulated commodities and animals for this regulated market—

Name of the commodities—

1. Paddy
2. Jhudunga
3. Kandula
4. Groundnut
5. Niger
6. Mustard
7. Turmeric
8. Blackgram
9. Ginger

Name of animals—

1. Cattle
2. Poultry
3. Sheep
4. Goat

The following table shows the names of commodities, quantity sold and their value during 1976-77 (1st November, 1976 to 30th October, 1977).

Name of commodities	Quantities sold (in quintal)	Value (Rs. in lakh)
Turmeric	10,497	36.16
Niger	847	2.25
Mustard	1,471	5.60
Blackgram	12	0.03
Rice	127	0.22
Jhudunga	12	0.03
Ginger	276	0.41
Groundnut	21	0.04
Kandula	25	0.04
Cattle	2788(Number)	2.58
Goat	5363(Number)	3.04
Sheep	480(Number)	0.21
Poultry	2300(Number)	0.09

The income and expenditure of the Regulated Market for 1976-77 were Rs. 1,41,849.83 and Rs. 41,907.56 respectively.

**Co-operative
Marketing
Societies**

There are two Regional Marketing Co-operative Societies which deal in agricultural produce, agricultural requisities and consumer goods. Besides, there are six Consumers' and Co-operative Stores, one Wholesale Co-operative Store, one Forest Marketing Co-operative Store, one Cold-storage Co-operative Society, one Joint Farming Co-operative Society, one Fishery Co-operative Society and four Labour Contract and Construction Co-operative Societies.

**Regional
Marketing
Co-operative
Societies**

In 1977, there were two Regional Marketing Co-operative Societies with their headquarters at Boudh and Raikia. At the end of June, 1977, the total membership of these societies was 489. The working capital, share capital, reserve fund, other fund deposit and borrowing of these societies were Rs. 77,34,976, Rs. 10,26,170, Rs. 13,401, Rs. 3,18,133, Rs. 1,02,517 and Rs. 4,53,956 respectively. The societies owned 13 godowns with a total capacity of 2,050 metric tons. The value of purchases and sales of agricultural produce, agricultural requisities and consumer goods during the year (1st July, 1976 to 30th June, 1977) were Rs. 12,05,425 and Rs. 21,59,180 respectively. Both the societies made a net profit of Rs. 1,42,558 during the year.

**Forest
Produce
and Agri-
cultural
Marketing
Co-operative
Society**

Since 1977, there is one Agency Marketing Co-operative Society at Tikabali which deals in minor forest products, agricultural produce and consumer goods. The society has been of immense benefit to the local Adivasis in safeguarding their economic interests, ensuring them fair price for their crops and saving them from the exploitation of unscrupulous money-lenders and traders. The society enjoys the cash credit benefit from the State Bank of India and with this financial assistance has been able to improve its business considerably. The area of operation of the society comprises 3,960 villages. At the end of June, 1977, the membership of the society was 8,064 individuals. The working capital, paid-up capital, statutory reserve, other reserve, deposit and borrowing were Rs. 24,91,150, Rs. 12,64,885, Rs. 1,14,637, Rs. 1,69,304, Rs. 94,840 and Rs. 8,56,251 respectively. The society had 25 godowns at different centres with a total storage capacity of 1,045 metric tons. The value of sales and purchases were Rs. 33,26,083 and Rs. 23,01,521 respectively during the year. The society made a net profit of Rs. 1,04,811 during the year.

**Coldstorage
Co-operative
Society**

In 1977, there was one Coldstorage Co-operative Society at G. Udayagiri with a membership of 32 including growers, traders, co-operative societies and the State Government. At the end of June, 1977, the working capital and the share capital of the society were Rs. 15,73,422 and

Rs. 15,52,310 respectively. The storage capacity of the society was 1,500 metric tons. During the year (1st July 1976 to 30th June 1977), the society made a net profit of Rs. 4,775.

In 1977, there was one Joint-farming Co-operative Society at Bhaliapani with a membership of 18 persons (17 land-holders and 1 agricultural labourer). Seventeen hectares of irrigated land was under their command. At the end of June, 1977, the working capital and the share capital of the society were Rs. 17,049 and Rs. 2,200 respectively. During the year, the society made a loss of Rs. 2,053 due to bad management.

Joint farming
Co-operative
Society

In 1977, there was one Fishery Co-operative Society at Boudh with a membership of 93 persons. At the end of June, 1977, the working capital, share capital and reserve fund were Rs. 2,041, Rs. 1,192 and Rs. 32 respectively. During the year, the society made a net profit of Rs. 105.

Fishery Co-
operative
Society

In 1977, there were four Labour Contract and Construction Co-operative Societies with their headquarters at Phulabani, Dutipara, Bhairabi and Judabali. At the end of June, 1977, the total membership of these societies was 307 persons (286 labourers and 21 others). The working capital, share capital, reserve fund and borrowing were Rs. 47,151, Rs. 7,369, Rs. 285 and Rs. 14,990 respectively. Three societies made a net profit of Rs. 976 and one society made a loss of Rs. 1,139.

Labour Con-
tract and
Construction
Co-operative
Society

In 1977, there was one Wholesale Consumers' co-operative store at Phulabani with a membership of 104, including co-operative societies and individuals. At the end of June, 1977, the share capital, reserve and other funds, deposit and borrowing were Rs. 2,08,690, Rs. 746, Rs. 1,845 and Rs. 87,500 respectively. At the beginning of the year (July 1977) the value of the closing stock of the society was Rs. 1,48,583. The value of sales and purchases during the year were Rs. 10,79,601 and Rs. 10,03,166 respectively. The society expended Rs. 32,997 towards the cost of management. During the year, the society made a net profit of Rs. 17,784.

Wholesale
Consumers'
Co-operative
Store.

In 1977, there were six Consumer Stores located at Phulabani (2 numbers), Harabhanga, Boudh (2 numbers), and Birupaksha. At the end of June, 1977, the total membership of these stores was 1,759 individuals. The share capital, reserve and other funds, deposit, borrowing were Rs. 59,801, Rs. 484, Rs. 1,254 and Rs. 3,397 respectively. The value of purchases and sales were Rs. 5,44,050 and Rs. 5,90,831 respectively. Three societies made a net profit of Rs. 14,326, two societies made a loss of Rs. 6,412 and one society made no profit or loss.

Consumer
Store

During the year 1977, there were 416 Fair Price Shops operating in the district. Rice, wheat, sugar and kerosene oil were sold in these shops. The

State
Trading

following table shows the names of the commodities, amount sold and their value in rupees.

Name of commodities	Quantity (in metric tons)	Value (in rupees)
Super fine rice	.. 27.39	41,041.00
Fine rice	.. 5,496.35	96,18,612.50
Coarse rice	.. 4,868.05	77,88,880.00
Wheat	.. 155.00	2,23,200.00
Sugar	.. 2,199.90	47,29,785.00
Kerosene oil	.. 2,041.20 (kilo litres)	28,57,680.00

Weights and Measures

Prior to the introduction of the metric system the scale of weights in common use was *pala*, *phuli* and *bisa*. This was known as the *naraji* scale of weights. The common measure of volume was *sula*, *bura*, *mana ara*, *tambi*, *gauni* and *khandi*. For measuring length the *hath* or cubit was commonly used. It varied from 0.4572 metre to 0.5080 metre (18 to 20 inches). These measures varied not only in nomenclature but also in capacities from area to area. Materials from which these measures were constructed also varied from place to place. In some parts, brass, iron and wooden measures were used, whereas in some other parts earthen measures were in use.

The old weights and measures and their equivalent in metric units are given below.

Old weights and measures			Metric equivalent
Tambi	120	tolas	1.400 grams
Ara	60	tolas	0.700 grams
Bura	30	tolas	0.350 grams
Mana	30	tolas	0.350 grams
Tambi	105	tolas	1.225 grams
Gauni	300	tolas	3.500 grams
Khandi	2,400	tolas	28 kilograms

It has been mentioned earlier that these measures varied in capacities from area to area. As a result of such differences in the use of weights and measures there was ample scope for the trader to cheat the consumers and the producers. Merchants from different places used to visit the weekly markets to purchase the agricultural and allied products from the Adivasis. The Adivasis being unaware of proper weights and measures were often exploited by unscrupulous traders. So, with a view to overcoming these difficulties, the metric system of weights and measures were enforced as an all-India standard since 1959. Initially, difficulties were experienced both by the consumers and the traders, but after regular practice and propoganda through distribution of conversion tables,charts and pamphlets the system is now easily understood by the people.

A List of rural marketing centres in the district

Name of the subdivision	Location	Market days
Khondmals	.. Khajuriparha	Sunday
	Phiringia	Tuesday
	Phulabani	Wednesday
	Gochhaparha	Monday
	Balandaparha	Wednesday
	Sudrukumpa	Monday
	Sadingia	Saturday
Baligurha	.. Kotagarh	Tuesday
	Baligurha	Saturday
	Raikia	Monday
	G. Udayagiri	Saturday
	Tikabali	Friday
	Bamunigan	Tuesday
	Daringbarhi	Wednesday
	Sankarakhol	Thursday
	Chakapad	Wednesday
	Tumudibandha	..
Kainjhar	Monday	
Simanbarhi	..	
Boudh	.. Boudh	Saturday
	Tileshwar	Sunday
	Palasagora	Saturday
	Baghiaparha	Wednesday
	Harabhanga	Monday
	Kelakata	Tuesday
Ainlapali	Sunday	

Dahya	Saturday
Sahajpad	Wednesday
Ghantaparha	Wednesday
Kantamal	Wednesday
Bahira	Monday
Bilaspur	Monday
Narayanprasad	..
Dapala	..
Manamunda	..
Ambagan	..
Baunsuni	..
Jonhaponk	..
Sagada	..
Jageti	..
Tukulunda	..
Purunakatak	..