Working of

Co-operative Credit Societies

for the year 1910-1911.

A. CENTRAL SOCIETIES.

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
18	The Madras Central Urban Bank ...	100000	718362	576633	...	1394695	855950	28787	18045	47	65050	
151	The Salem District Urban Bank ...	30000	33750	202376	39000	305126	65433	4133	2059	6	7887	
178	The Trichinopoly Dt. Urban Bank ...	7600	72055	113883	3500	197038	144780	1683	729	...	3000	
427	The Coimbatore Dt. Urban Bank ...	19330	4085	5240	57300	85955	99375	2559	143	3	3000	
530	The Tenali District Urban Bank ...	2450	...	1000	...	3450	...	166	...	...	...	
	B. URBAN SOCIETIES.											
3	The Big Conjeevaram Town Bank ...	8978	28881	19651	7000	64505	42675	2485	4118	84	2900	
8	The Nicholson T. Bank.	20447	2405	3792	...	26644	17287	678	729	14	2751	
15	The Triplicane U. C. Stores ...	16677	20788	...	...	37466	9718	15347	12704	13	156	
19	The Namakkal U. Bank ...	3571	5600	9938	...	19109	11735	783	1450	50	4363	
21	The Big Conjeevaram U. Weavers' Union ...	...	1921	2470	600	4991	1879	46	177	5	21	
22	The Tenali U. Bank ...	...	7787	14174	5240	27201	10645	857	2595	28	2499	
25	The Salem Urban C. C. Society ...	...	14554	6270	...	20824	39305	684	4030	31	2573	
26	The Coimbatore Urban B & Stores ...	1415	3046	8967	...	13828	5195	42	631	1	50	
27	The Mannargudi Urban Bank ...	...	17911	8528	...	26439	24000	693	1850	38	2104	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Salem Dt. (*Contd.*)											
28	The Madura U. C. Stores	300	25613	24290	...	50203	46870	—199	3558	16	757	Loss.
29	The Tirumangalam Urban Bank ...	10595	...	8000	...	18595	7770	990	1151	18	1001	
40	The Berhampore Urban Bank ...	20659	4850	3800	...	29309	7710	1367	2784	6	432	
45	The Paramakudi Urban Bank ...	1435	961	4160	...	6556	6350	268	609	7	506	
46	The Tindivanam Urban Bank ...	10970	5744	14382	23500	54596	28699	1476	3530	...	4714	
52	The M. & S. M. Railway Employe's U. Bank.	22200	9000	5925	...	37125	65694	2351	994	11	97	
58	The Kurnool Urban C. Stores ...	715	...	...	...	715	...	62	416	...	...	
59	The Chittoor Urban C. Society ...	1215	956	...	1000	3171	2225	86	183	5	205	
63	The Madanapalli U. C. S. & Stores ...	1034	...	1500	...	2534	550	342	157	1	50	
96	The Ongole U. C. S. ...	655	510	250	3000	4415	1385	120	227	34	2941	
98	The Sholinghur Urban Bank ...	1965	1288	2604	800	6657	4920	883	364	12	428	
109	The Kurnool Urban C. C. Bank ...	955	3042	3544	3000	10541	9791	390	327	4	550	
118	The Krishnagiri Urban Bank ...	2745	1126	454	2700	7025	7615	373	193	1	200	
193	The Dindigal U. Bank.	1845	2490	8050	...	12385	9720	358	334	6	416	
371	The Penukonda T. Bank	1020	391	2892	4700	9003	7072	306	453	135	5403	
374	The Ootacamund U. C. Stores ...	362	...	336	...	698	...	—195	...	...	...	Loss.
375	The Chingleput U. Bank	861	2489	1369	4600	9319	10595	90	37	...	...	
378	The Tiruvalur Kamalambika U. Bank ...	2690	525	...	2000	5215	5720	158	39	1	50	
381	The Little Conjeevaram U. Society ...	3377	9779	2877	4000	20033	26717	62	31	6	351	
570	The Tiruvannamalai U. C. Society ...	1234	1832	2022	1000	5588	5715	111	49	...	...	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Vizagapatam District. Sarvasiddhi Taluk.											
101	Kuruppam ...	...	187	...	1800	1987	135	44	106	11	1189	
	Parvatipur Taluk.											
102	Mangavaram ...	190	100	...	2600	2890	1527	46	116	8	612	
	Godavari District. Rajahmundry Taluk.											
65	Kadiam ...	340	10	...	3800	3650	2180	67	296	2	403	
	Tuni Taluk.											
245	Hamsavaram ...	464	...	...	5000	5464	1676	162	184	...	...	
246	Vontimamidi ...	356	...	...	5000	5356	1438	122	233	...	...	
	Amalapuram Taluk.											
86	Devaguptam ...	...	80	...	2700	2780	3702	98	180	...	...	
87	Komaragiripatnam ...	525	168	5550	3600	9843	5727	177	443	...	...	
	Kistna District. Gudivada Taluk.											
83	Cowtharam ...	538	...	...	2700	3238	1734	88	202	2	69	
	Kaikalur Taluk.											
84	Venkatapuram ...	398	90	2121	3700	6309	5918	312	681	6	281	
85	Chavilipadu* ...	175	108	...	1850	2183	1039	48	88	10	470	
161	Pallivada ...	608	440	120	10000	11168	5906	294	559	4	770	
575	Sitanapalle ...	150	68	...	2475	2693	2617	3	3	1	200	
576	Alapad ...	60	...	...	1018	1078	1040	—19	...	...	...	Loss.
577	Kaikalur Narasiah-palayam ...	454	192	...	7500	8146	8346	37	37	3	30	
578	Achavaram ...	184	...	...	1400	1584	1592	6	6	...	...	

* Includes the Loan of Rs. 50 from Government.

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Kaikalur Taluk (*Contd.*)											
579	Sanarudravaram ...	166	...	...	1500	1666	1668	1	1	1	46	
580	Potumarru ..	220	...	...	4000	4220	2688	—11	...	4	592	Loss.
581	Kallapalem ...	482	464	...	5000	5946	9385	25	25	...	...	
582	Kalidundi ...	268	...	...	1700	1968	1970	20	20	4	80	
	Bandar Taluk.											
70	Vadlamannadu ...	510	6	...	3500	4016	797	126	434	37	2783	
	Divi Taluk.											
56	Nagayalanka* ...	887	2147	...	8500	3334	...	288	1302	...	...	
851	Avanigadda ...	780	174	...	6000	6954	3182	173	263	9	773	
	Guntur District. Tenali Taluk.											
23	Surepalle† ...	...	...	...	2000	3600	3130	104	1009	...	...	
39	Tummapudi‡ ...	469	1400	...	...	3669	2885	159	1350	1	16	
367	Duggirala ...	260	125	10	3800	4195	2791	63	63	...	...	
368	Kolakalur ...	184	...	...	2800	2984	1200	97	97	15	2400	
369	Moparru ...	42	...	...	600	642	700	—5	...	...	...	Loss.
392	Gudivada ...	198	...	...	3000	3198	3340	18	18	12	840	
398	Chinnagudellavarru ...	112	...	...	1000	1112	1100	5	5	...	...	
	Narasaraopet Taluk.											
182	Vayadana ...	185	...	...	2700	2885	370	0	69	...	...	
	Kurnool District. Pattikonda Taluk.											
53	Payapalle§ ...	860	...	500	3750	5605	600	255	725	38	2834	
	Dhone Taluk.											
459	Udumalapudi ...	53	...	...	2000	2053	2000	14	14	...	...	

* Includes the Loan of Rs. 1800 from Government.

† „ „ „ 1600 „

‡ „ „ „ 1800 „

§ „ „ „ 495 „

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911. Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.	Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default. No.	Default. Amount.	Remarks.
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Done Taluk (*Contd.*)											
469	Ungargundla ...	39	...	...	1500	1539	1500	4	4	...	...	
478	Veldurti ...	151	...	...	5000	5151	5835	76	76	...	...	
479	Cherukalapad ...	80	35	...	3000	3115	3296	39	39	...	...	
494	Lanjabunda ...	20	...	...	1000	1020	1000	—7	...	...	...	Loss.
505	Kothaburuzu ...	31	...	...	1000	1031	984	—11	...	...	...	Loss.
506	Sudopalle ...	43	...	...	2000	2043	1970	—2	...	...	...	Loss.
516	Kalachettla ...	56	...	...	2500	2556	2465	1	1	...	...	
517	Samgondla ...	51	...	...	2000	2051	1995	4	4	...	...	
522	Krishnagiri ...	30	...	...	750	780	750	—7	...	...	...	Loss.
528	Kambalapadu ...	26	...	...	1100	1126	1100	—9	...	...	...	Loss.
536	Mettupalle ..	15	...	...	500	515	500	—10	...	...	...	Loss.
572	Pedda Podilla ...	118	...	...	4000	4118	4105	20	20	...	...	
57	Vengalampalle ...	20	...	...	500	520	500	—11	...	...	...	Loss.
	Bellary District. Hadagalle Taluk.											
36	Huvinahadagalle ...		31	...	5500	5531	1735	136	368	14	1869	
66	Magalam ...	588	...	...	6500	7088	1227	211	586	19	2225	
67	Girchadahalle ..	848	...	...	9700	10548	3568	459	1062	16	1546	
	Anantapur District. Gooty Taluk.											
54	Vajra Karur* ...	..	2004	...	...	3804	575	203	994	46	1557	
55	Guntakkal† ...	..	2526	...	...	4326	400	186	1094	...	...	
57	Timmencherala‡ ..	2190	...	...	...	3990	2015	326	1434	1	100	
60	Uravakonda ...	...	...	...	6400	6400	...	150	511	4	680	
88	Nimbagallu ...	...	...	...	3600	3600	600	47	149	8	396	
137	Pamidi ...	...	100	...	4000	4100	780	101	205	30	1966	...
	Kalyandrug Taluk.											
136	Belaguppa ...	...	...	...	2600	2600	500	43	256	6	790	
177	Kalyandrug ...	...	174	2000	10700	12874	3147	207	569	10	1460	

* Includes the Loan of Rs. 1800 from Government.

† " " " 1800 "

‡ " " " 1800 "

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
201	Narasapuram ...	...	116	74	4500	4690	1641	108	250	...	...	
202	Ramapuram ...	223	10	...	4000	4233	760	90	161	71	3649	
204	Mudigallu ...	...	45	...	2800	2845	2375	39	186	...	...	
205	Srirangapuram ...	...	108	...	3000	3108	765	60	225	...	...	
211	Kannipalle ...	...	60	...	250	2560	678	45	151	...	...	
217	Basapuram ...	...	25	...	3000	3025	640	58	133	...	...	
218	Budigimma ...	...	5	...	300	305	2500	48	101	...	...	
219	Mulayanur ...	...	200	...	5000	5200	2055	94	189	2	55	
223	Kurakulapalle ...	...	...	...	2500	2500	1506	32	68	2	236	
224	Palluru ...	...	611	...	4900	5411	5228	104	176	12	235	
227	Mulakanuru ...	...	...	...	2500	2500	151	60	144	33	2221	
231	Timmapuram ...	...	...	...	3000	3000	478	62	134	10	840	
282	West Kodihalle ...	...	...	...	2000	2000	310	24	123	50	1057	
283	Bhairavanitippah ...	...	505	...	2000	2505	610	58	213	...	...	
293	Yenumuladoddi ...	...	13	...	2000	2013	725	42	75	...	...	
294	Karigampalle ...	...	...	...	1900	1900	340	33	62	...	...	
295	Yatakallu ...	...	...	...	3000	3000	858	63	155	...	...	
296	Santakondapuram ...	...	111	...	3000	3111	1634	66	140	...	...	
297	Pillalapalle ...	...	80	...	2000	2080	495	41	90	...	...	
298	Ralla Anantapuram ...	...	13	...	2000	2013	522	36	93	...	...	
299	Chinampalle ...	...	...	...	2000	2000	786	36	69	...	...	
300	Mulakaledu ...	...	100	...	3000	3100	885	57	157	...	...	
301	Chintrapalle ...	...	5	...	1100	1105	475	21	33	...	...	
302	Settur ...	...	...	...	3000	3000	590	60	165	...	...	
303	Nuthimadugu ...	...	4	...	3000	3004	300	49	119	9	1125	
304	Timmasamudram ...	...	...	...	2000	2000	275	34	136	4	325	
305	Lakshmanapalle ...	...	...	...	3000	3000	465	63	162	...	...	
306	Gangavaram ...	...	...	1000	800	1800	50	29	120	11	1100	
307	Duddikonta ...	...	...	...	800	800	...	32	91	9	800	
308	Golla ...	...	...	...	600	600	...	9	57	1	20	
309	Erakondapurum ...	...	22	...	1000	1022	190	22	63	3	65	
310	Bhairasamudram ...	...	...	...	2300	2300	465	45	148	8	409	
321	Kundurpi ...	...	45	...	4000	4045	253	77	136	...	...	
322	Bestrapalle ...	...	40	...	1500	1540	1090	13	44	...	...	
328	Muddinayanipalli ...	...	22	...	1400	1422	160	26	48	...	...	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Penukonda Taluk (*Continued.*)	Rs.	Rs	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
258	Cherukuru ...	106	...	...	1500	1606	400	31	37	9	400	
259	Brahmasamudram ...	84	78	...	2400	2562	2473	57	61	...	...	
260	Cholemarri ...	166	..	...	2900	3066	455	63	100	58	2772	
261	Bucherla ...	168	12	...	4000	4172	855	91	112	34	3590	
274	Reddipalli ...	93	17	...	2000	2110	784	44	48	23	833	
275	Nagalur ...	143	91	...	4500	4734	880	68	97	53	3595	
276	Doddagatta ...	74	...	...	1700	1774	1635	37	40	8	638	
277	Manatur ...	202	78	...	3500	3780	1240	89	123	26	1767	
278	Turakalapatnam ...	187	3	...	3700	3890	1488	96	139	33	2417	
279	Julugunta ...	187	152	...	3000	3339	2763	84	113	...	...	
280	Sanipalli ...	107	133	...	2000	2240	1130	62	73	23	362	
286	Mande ...	156	4	...	3000	3159	1974	84	112	2	32	
287	Peddamanatur ...	132	...	...	2300	2432	825	42	63	5	628	
288	Kalipi ...	280	74	...	4000	4364	1183	104	172	42	3178	
394	Pandiparti ...	119	64	...	4800	4983	5144	60	60	...	...	
399	Chalakuru ..	134	...	...	5000	5134	5738	47	47	...	...	
400	Mulakulachruvu ...	170	306	...	5000	5476	5993	83	83	28	1693	
401	Kanambara ...	164	...	...	4700	4864	5464	33	33	3	107	
419	Penukonda Bharapuram ...	15	10	...	500	525	518	...	..	...	...	
424	Settipalli ...	69	...	...	3000	3069	3065	22	22	...	...	
425	Gajarajupalli ...	19	15	...	500	534	510	...	...	...	...	
428	Kodapagnipalli ...	34	22	...	1600	1656	1675	7	7	...	...	
429	Kanisettipalle ...	36	...	...	1000	1036	1000	1	1	...	...	
430	Mailasamudram ...	102	..	...	3000	3102	3100	111	111	...	...	
431	Kogira ...	170	5	...	4000	4175	4370	65	65	...	...	
432	Kesapuram ...	53	...	..	2000	2053	3565	22	22	...	...	
446	Venkatareddipalli ...	129	..	850	4000	4979	5426	61	61	8	586	
470	Penukonda Kottapalli...	104	...	...	3000	3104	3100	36	36	...	...	
	Hindupur Taluk.											
490	Hindupur Kalluru ...	354	173	50	7500	8077	8393	78	78	...	...	
491	Hindupur Kodihalli ...	138	171	...	3000	3209	3403	89	89	...	...	
492	Cholasamudram ...	128	125	...	4000	4233	4416	33	33	...	...	
493	Maidugolam ...	112	...	...	3000	3112	3412	44	44	...	...	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		REMARKS.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs	Rs	Rs.		Rs.	
	Hindupur Taluk.											
495	Lepakshi ...	189	...	...	6000	6189	6210	51	51	...	...	
496	Manepalle ...	145	...	...	5000	5145	5385	52	52	...	...	
497	Srikantapuram ...	117	113	...	3500	3730	3934	42	42	...	...	
498	Serivaram ...	102	238	...	2500	2840	2880	30	30	...	...	
499	Kanchisamudram ...	112	20	...	3000	3132	3160	20	20	3	270	
500	Chantakantopalle ...	51	24	20	1500	1595	1647	8	8	...	...	
502	Hindupur ...	478	287	...	8000	8765	9195	170	170	...	...	
503	Nimakampalle ...	93	6	...	3000	3099	3155	34	34	...	...	
504	Parege ...	154	105	...	5000	5259	5267	34	34	...	...	
507	Paideti ...	67	..	...	2500	2567	2686	16	16	...	...	
508	Sirekolam. ...	81	31	...	3000	3112	3380	21	21	...	...	
509	Narasapuram ...	111	300	...	3000	3411	3427	24	24	...	...	
511	Vithapalli ...	74	..	...	2500	2574	2573	23	23	...	...	
512	Sigipalle ..	101	41	...	3600	3741	3792	20	20	...	...	
513	Manesamudram ...	56	...	...	1500	1556	1780	11	11	...	...	
514	Mulugur ...	123	...	...	3500	3623	3715	3	3	...	...	
515	Utukur ...	219	343	...	8000	8562	8631	44	44	...	...	
	Madakasira Taluk.											
74	Yerrabomanahalli ...	402	25	410	4000	4837	3224	97	261	2	73	
90	Haresamudram ...	576	20	...	3800	4396	2964	87	321	...	...	
	Cuddapah District. Bullampet Taluk.											
10	Nandalur Agri. Bank*	750	1669	2679	7000	12098	4356	477	1591	46	3000	
	Nellore District. Kandakur Taluk.											
34	Kandakuru † ...	725	...	...	2100	3365	2020	154	455	16	710	
	Gudur Taluk.											
24	Gudur ‡ ...	2575	6	400	4600	9181	2458	348	1826	74	3140	

* Includes the Loan of Rs. 840 from Government.
† " " " 540 "
‡ " " " 1600 "

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans distributed to members of societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Chingleput District. Tiruvellore Taluk.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
1	Tirur * ...	350	504	1050	...	2184	1981	123	492	...	...	
16	Alinjivakkam † ...	429	...	400	990	1849	1895	95	414	...	...	
33	Thozhur ‡ ...	458	111	10	3500	4079	2603	95	285	...	...	
37	Zamin Nungambakkam	...	75	180	1500	1755	1583	43	216	...	...	
61	Pondavakkam§ ...	1000	1000	22	4400	8222	6344	286	1202	3	123	
138	Kilnallattur ...	340	10	...	2800	3150	235	84	151	24	1598	
460	Tannirkulam ...	88	5	...	1800	1893	1895	17	17	...	...	
461	Puttur ...	204	68	...	3000	3272	3474	62	62	...	...	
462	Sevapettai ...	85	40	..	1600	1725	1830	15	15	...	...	
482	Pakkam ...	179	...	...	2000	2179	2317	53	53	...	...	
	Ponneri Taluk.											
373	Gummidipundi ...						4157	89	119	1	2	
591	Sunnambukulam ...	248	123	50	4500	4921	335	55	55	...	...	
		278	...	...	...	278						
	Saidapet Taluk.											
252	Tambaram ...						1010	26	32	1	25	
475	Vellivakkam ...	44	...	...	1000	1044	3595	57	57	...	...	
483	Paruttipatti ...	175	67	16	3200	3458	5450	108	108	...	...	
485	Porur ...	293	...	2000	3000	5293	1615	24	24	...	...	
568	Alattur ...	87	...	...	1500	1587	1137	8	3	...	...	
	Conjeeveram Taluk.	79	...	...	1000	1079	15073	293	1848	...	...	
2	Kilacheri Agri Bank.$	1000	4880	4400	...	11680	10243	201	1256	7	668	
5	Damal Agri Bank¶ ...	...	1600	...	12400	15360	1858	107	554	...	...	
11	Nemmeli ‖ ...	139	390	440	1000	2249	3618	177	756	1	30	
51	Kallipattu ₱ ..	635	1838	...	...	3373	3628	114	306	...	...	
91	Tirupandiyur ...	...	640	5	5100	5745	6435	164	457	...	...	
92	Molasur ...	875	20	1600	3800	6295						

* Includes the Loan of Rs. 280 from government.
† „ „ „ 120 „
‡ „ „ „ 90 „
◊ „ „ „ 1800 „
$ „ „ „ 1400 „
¶ „ „ „ 1365 „
‖ „ „ „ 280 „
₱ „ „ „ 900 „

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	R.		Rs.	
	Conjeevaram Taluk. (*Continued*).	415	40	...	4500	4955	5120	208	406	1	1	
95	Valarpuram ..	...	...	...	1600	1600	523	16	89	2	125	
97	Akkamapuram ...	437	87	...	4200	4724	2895	80	271	1	101	
99	Narasingapuram ...	101	25	...	1800	1926	1700	39	51	5	150	
135	Ayakalatur ...	170	...	...	2300	2470	1147	65	105	32	1769	
139	Gunduperumbedu ...	238	5	...	2600	2843	3218	94	160	...	...	
140	Malaipattu ...	660	963	24	4100	5747	4735	184	384	14	417	
142	Pichivakkam ...	204	101	...	1400	1705	422	51	99	...	...	
143	Kannantangal ...	108	87	...	1600	1945	1940	30	57	2	140	
144	Edayarpakkam ...	97	...	...	1850	1947	1845	30	59	6	170	
146	Kappankottur ...	724	...	...	12000	12724	3871	238	428	14	852	
149	Manimangalam ...	...	10	...	1500	1510	1510	9	11	..	...	
337	Sokandi ...	129	...	...	2000	2129	445	32	42	5	868	
338	Maduramangalam ...	95	...	...	1000	1095	1134	24	30	...	...	
339	Sattarai ...											
348	Kuvam ...	206	253	62	8000	8521	1441	51	79	...	...	
356	Irayamangalam ...	115	68	1155	800	2138	2154	29	44	...	...	
370	Puduppattu ...	109	4	...	2000	2113	2394	25	25	1	50	
436	Adanur ...	214	63	4	4500	4781	5048	55	55	..	...	
437	Somamangalam ...	151	51	...	2000	2201	2606	35	35	...	...	
438	Karisangal ...	127	...	...	2800	2927	3116	25	25	...	...	
525	Sriperumabadur ...	320	...	...	4000	4320	4374	35	35	...	...	
526	Pondur ...	162	...	...	3000	3162	3190	32	32	..	...	
539	Perambakkam ...	73	...	...	1500	1573	1578	6	6	...	...	
540	Mappedu ...	151	175	...	1822	2147	2275	29	29	...	...	
541	Irulancheri ...	68	...	...	1600	1668	1669	9	9	...	...	
542	Kumaracheri ...	152	...	...	3000	3152	3170	43	43	...	...	
543	Amarambedu ...	44	...	...	1000	1044	1040	—3	...	...	...	Loss.
544	Mudambakkam ...	108	...	...	2500	2608	2625	16	16	...	...	
566	Pillaiyarkuppam ...	64	26	...	1022	1112	1274	27	27	...	...	
567	Zamin Mudugur ...	112	86	...	1561	1759	2300	28	28	5	250	
	Chingleput Taluk.											
141	Salur ...	720	...	...	9500	10220	2089	207	420	25	3869	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Chingleput Tk. (*Contd.*)											
175	Oragadam ...	383	197	...	7700	8280	5533	130	223	4	132	
226	Kalatur ...	284	659	...	7000	7943	6897	155	186	...	...	
311	Kayar ...	207	150	...	5000	5357	3400	93	111	15	803	
312	Tirukazhukundram ...	668	454	...	10000	11122	7705	176	207	...	...	
534	Manapadi ...	167	15	...	3000	3182	3195	15	15	...	...	
545	Nandivaram ...	104	...	...	4900	5004	5016	4	4	...	...	
	Madurantakam Taluk.											
41	Uttaramallur* ...	2458	11565	19994	54600	90416	48758	2005	5928	...	...	
42	Kaliyampundi† ...	780	228	...	5000	6908	2480	87	735	...	...	
100	Karunguli ...	685	85	...	6100	6870	4334	179	391	2	280	
132	Maruthuvambadi ...	314	290	...	5100	5604	3385	55	176	4	384	
133	Perunkoli ...	210	...	...	3700	3910	1734	68	167	...	...	
134	Kammalampundi ...	878	1552	29	14500	16959	10577	250	458	...	...	
152	Silavattam ...	1046	...	...	9400	10446	5866	286	635	...	...	
153	Ravuthanallur ...	101	12	...	2000	2113	813	18	75	...	...	
154	Meltandurai ...	124	99	...	2400	2623	964	31	81	...	...	
155	Serapakkam ...	33	...	...	900	983	624	15	21	3	148	
156	Manampatti Kandigai...	220	382	...	3500	4302	3382	15	63	...	...	
157	Karuveppampundi ...	136	176	...	2000	2312	876	50	92	...	...	
158	Nelvoy ...	242	537	...	4900	5879	4618	65	92	...	...	
159	Najipuram ...	208	412	...	3600	4220	2212	58	109	2	96	
160	Orattur ...	397	45	...	5400	5842	1425	149	309	13	1199	
162	Melpakkam ...	114	...	...	1800	1914	610	41	75	...	...	
163	Anumanthandulam ...	103	...	...	1900	2003	995	31	55	...	...	
187	Kattayampandal ...	292	293	...	5100	5785	3350	65	116	...	...	
188	Ozhayur ...	152	69	...	2800	3021	1280	54	73	...	...	
189	Mangalam ...	130	42	...	2300	2472	1477	89	47	...	...	
191	Ammayappanallur ...	63	...	...	1400	1463	1150	15	15	...	...	
192	Madurantakam ...	2184	377	2948	26600	32109	14752	782	1142	1	50	
212	Perunagar ...	364	358	...	6500	7222	4720	89	104	...	...	
225	Salavakkam ...	358	465	...	4700	5523	2510	91	130	...	...	
247	Vengachcheri Adavakam ...	81	14	...	1000	1095	281	28	32	1	11	

* Includes the Loan of Rs. 1800 from government.

† " " " 900 "

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Madurantakam Taluk. (*Continued*).	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
248	Arunkunnam ...	242	42	...	4300	4584	615	98	107	...	...	
249	Madur ...	400	128	...	4000	4528	2585	101	141	6	400	
262	Veppanai ...	219	245	1	4500	4965	3007	93	123	...	...	
263	Tittalam ...	216	253	...	4000	4569	1875	91	91	...	...	
313	Palliagaram ...	226	114	...	4600	4940	3418	101	112	...	...	
314	Kumaravadi ...	396	365	...	7000	7757	8959	127	127	...	...	
315	Oratti ...	145	239	...	5000	5384	2200	111	134	...	...	
333	Pullipakkam ...	115	43	...	2000	2158	960	49	49	...	...	
334	Alappakam ...	133	12	2	2500	2647	1040	61	76	...	...	
352	Pennalur ...	166	125	202	3200	3693	3220	38	39	...	...	
403	Kidangarai ...	118	5	...	2500	2623	2611	7	7	...	...	
405	Tiruvandavaru ...	102	50	50	1000	1202	1174	7	7	...	...	
406	Mambadur ...	106	5	...	1500	1611	1608	17	17	...	...	
407	Kodithandalam ...	89	...	...	1000	1089	1105	9	9	...	...	
445	Sanur ...	50	5	...	1000	1055	1025	—10	...	...	...	Loss.
449	Puttalai ...	166	7	...	3000	3173	3165	26	26	...	...	
458	Ozhakarai ...	236	667	...	2000	2903	2941	12	12	...	...	
468	Padalam ...	206	17	15	4000	4238	4280	37	37	...	...	
486	Konducheri ...	130	100	...	2000	2230	2175	5	5	...	...	
535	Vengaram ...	62	2	...	900	964	910	—18	...	...	...	Loss.
565	Kottankulam ...	256	10	...	4000	4266	4266	15	15	...	...	
569	Vellaputtur ...	270	45	10	4000	4325	4406	...	...	...	...	
574	Karani ...	71	...	...	1200	1271	1269	—14	...	...	...	Loss.
585	Ongur ...	80	200	...	...	280	253	—17	...	...	...	Loss.
592	Karuppur Nelvoi ...	79	...	...	...	79	75	6	6	...	...	
	Chittur District. Chandragiri Taluk.											
103	Chandragiri ...	578	212	2	7500	8292	10185	220	464	22	893	
	Arcot Taluk.											
190	Ukkal ...	396	...	...	5000	5396	8500	135	175	2	150	
	Vayalpad Taluk.											
77	Tatiguntapalli* ...	415	...	...	2100	2715	1541	124	294	6	358	

* Includes the loan of Rs. 200 from Government.

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	North Arcot District. Wandiwash Taluk.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
12	Vadanangur* ...	865	1122	22	1600	3309	5269	192	810	2	40	
17	Salavedu† ...	354	...	...	2000	3434	3660	140	993	1	40	
64	Anakkavur ...	650	350	...	3500	4500	1890	107	307	...	...	
80	Velliyambakkam ...	156	...	...	2700	2856	3137	66	180	1	20	
	Walajapet Taluk.											
4	Kaveripauk‡ ...	1996	1418	742	6000	11556	6452	314	2286	86	2989	
113	Thalangai ...	192	...	...	2200	2392	618	55	179	6	485	
164	Velluvambakkam ...	197	...	...	4900	5097	1053	121	237	13	814	
176	Vangur ...	84	...	...	1800	1884	715	43	89	...	...	
215	Srikarambur ...	36	...	...	700	736	1118	—2	...	...	...	Loss.
233	Gudimallur ...	127	...	...	2000	2127	635	76	96	...	...	
235	Olugur ...	73	80	18	2000	2171	789	54	72	...	...	
236	Rendadi ...	142	...	...	4500	4642	2976	90	135	...	...	
454	Kadapperi ...	215	...	...	2700	2915	3100	56	56	6	235	
455	Seri ...	137	...	...	1900	2037	2260	30	30	...	...	
456	Walajapet Alapakkam.	220	...	...	3000	3220	4019	65	65	...	...	
457	Tirupparkadal ...	196	...	...	2000	2196	3614	42	42	...	...	
471	Sennasamudram ...	92	...	...	2000	2092	2350	36	36	...	...	
472	Tirumalachery ...	97	...	...	1500	1597	1600	27	27	...	...	
473	Sumathangi ...	98	...	...	1500	1598	1370	12	12	...	...	
476	Karivedu ...	144	...	...	2500	2644	2650	49	49	...	...	
	South Arcot District. Tindivanam Taluk.											
48	Melmalayanur§ ...	552	500	270	1200	3647	1500	125	749	...	...	
255	Vellimedu ...	460	414	...	8500	9374	5974	204	205	...	...	
854	Marakkanam ...	567	42	...	7900	8509	4500	129	129	...	...	
	Kallakurichi Taluk.											
71	Mudiyanur ...	1630	85	578	7500	9793	5518	278	855	16	1790	

* Includes the load of Rs. 700 from Government,

† " " " 1000 "

‡ " " " 1400 "

§ " " " 1125 "

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Kallakurchi Taluk. (*Continued.*)	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
148	Kallakurchi ...	1050	194	85	9400	10729	4835	347	580	10	1431	
150	Sankarapuram ...	566	...	...	9400	9966	4004	210	397	...	...	
170	Sulankurchi ...	415	...	...	3375	3790	880	107	201	4	329	
284	Palaya Siruvankur ...	524	...	...	6000	6524	3780	174	217	...	...	
318	Pudupatti ...	460	...	...	4500	4960	1914	128	171	...	...	
345	Nilamangalam ...	448	...	...	6500	6948	3967	222	245	1	125	
382	Kottalam ...	81	...	...	3400	3481	3705	22	22	...	...	
383	Vilambar ...	101	...	...	4000	4101	4336	45	45	...	...	
384	Mokur ...	173	...	...	5500	5673	5765	30	30	...	...	
385	Ariyaperumanur ...	68	...	...	2100	2168	2235	28	28	...	...	
387	Asakalathur ...	190	...	...	4000	4190	4300	42	42	...	...	
388	Varanjaram ...	188	...	...	3500	3688	3825	44	44	...	...	
389	Vadakkanandal ...	154	...	...	5000	5154	5650	81	81	...	...	
395	Manjaputtur ...	198	...	...	5700	5898	5820	66	66	...	...	
396	Agrahara Pandalam ...	162	...	...	6700	6862	7300	105	105	...	...	
397	Viriyur ...	150	...	...	3500	3450	8713	70	70	...	...	
398	Kallakruchi Kallatur ...	134	...	...	3800	3934	3982	28	28	...	...	
404	Kudaraichendal ...	127	...	...	2000	2127	2135	35	35	...	...	
487	Tyagadurgam ...	386	...	...	...	386	200	38	38	...	...	
518	Seruvattur ...	90	...	...	700	790	790	—11	...	...	...	Loss.
519	Triyur ...	120	...	...	2800	2920	2975	...	...	...	...	
520	Kongarayapalaiyam ...	350	...	...	3000	3350	3350	35	35	...	...	
521	Chinna Salem ...	240	...	...	3500	3740	3600	16	16	...	...	
528	Kanankur ...	58	...	...	1000	1058	1040	—9	...	...	...	Loss.
528	Sembarapattu ...	197	...	...	4500	4697	4725	31	31	...	...	
529	Kallakurchi Nagulur ...	278	...	...	5500	5778	6005	34	34	...	...	
537	Sirpanandal ...	82	...	...	4000	4082	4189	19	19	...	...	
547	Tyagarayapuram ...	109	...	...	3000	3109	3112	18	18	...	...	
571	Perumangalam ...	222	...	...	3500	3722	3725	24	24	...	...	
	* Salem District. Dharmapuri Taluk.											
119	Palakodu ...	1310	30	...	5500	6890	1875	220	454	6	660	
120	Krishnapuram ...	546	11	...	2700	3257	865	100	209	3	175	
121	Adamankottai ...	889	112	...	5950	6851	950	168	829	1	50	

* Includes the loans of the Government.

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Dharmapuri Taluk (*Continued.*)	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
122	Dharmapuri ...	1260	...	...	4600	5860	2425	201	431	19	1439	
266	Laligam ...	195	14	...	4000	4209	1292	98	151	...	...	
353	Paparapatti ...	382	6	...	2500	2888	895	82	100	...	...	
	Krishnagiri Taluk.											
50	Kannandahalli* ...	2910	...	...	...	4710	2225	366	2048	18	1559	
320	Jaggasamudram ...	154	47	1629	2650	4480	3450	97	106	...	...	
350	Jambuguttapatti ...	446	147	...	3000	3593	2880	95	102	...	...	
	Uttankarai Taluk.											
75	Jammanahalli ...	...	195	...	5600	5795	4340	168	740	11	851	
123	Adikarapatti ...	...	...	...	3400	3400	320	56	221	...	...	
124	Pallipattu ...	...	23	...	4050	4073	1417	68	301	...	...	
125	Kambianallur ...	...	...	...	3600	3600	60	41	226	1	200	
126	Kondampatti ...	...	50	150	1900	2100	1515	8	82	...	...	
127	Ichchambadi ...	...	...	...	450	4500	1265	78	427	1	20	
128	Harur ...	1530	...	...	6000	7530	3155	239	578	6	270	
129	Uttankarai ...	692	...	...	5500	6242	2235	138	377	2	10	
253	Ranimukanur ...	284	50	50	3200	3534	1980	61	69	...	...	
254	Ponneri ...	148	...	...	2000	2148	610	59	71	...	...	
281	B. Pallipatti ...	...	28	...	1500	1528	586	33	55	...	...	
329	Singarapett ...	354	...	...	4000	4354	3225	97	111	...	...	
335	Papireddipatti ...	200	...	...	2000	2200	1060	56	66	...	...	
336	Venkatasamudram ...	362	...	...	3000	3362	1062	96	129	...	...	
340	Menesi ...	222	...	...	2000	2222	642	54	56	...	...	
341	Bairnatham ...	338	22	150	2800	2310	1051	91	116	...	...	
510	Gopalapuram ...	...	17	...	2300	2317	2856	17	17	...	...	
	Salem Taluk.											
43	Pakalpatti* ...	1868	133	118	6075	9094	4064	368	1513	7	499	
44	Panamarattupatti ...	1660	194	...	4850	6704	2975	331	1374	1	150	
105	Oduvankurchi ...	695	...	...	3700	4300	525	227	378	22	3160	
108	Namagiripettai ...	1000	239	71	5700	7010	3665	205	322	15	1533	

* Includes the Loan of Rs. 900 from Government.

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Salem Taluk.—(*Contd.*)											
112	Rasipuram ...	1400	48	15	7050	8513	2925	197	428	4	485	
114	Kannankurchi ...	1495	...	...	5200	6695	4795	195	513	1	320	
130	Attayampatti ...	1741	8180	...	1500	3421	8200	49	939	9	1415	
131	Madayampatti ...	820	144	52	4500	5516	1531	156	353	8	706	
165	Neykarapatti ...	1250	845	...	10300	12394	6510	361	625	...	...	
206	Pulaveri ...	358	...	...	3500	3858	1020	115	151	...	...	
	Attur Taluk.											
94	Attur ...	2355	64	...	10800	13219	3212	311	925	27	3011	
271	Abinavam ...	164	...	...	1500	1664	...	36	70	13	1675	
272	Ettapur ...	178	200	...	2500	2878	1865	67	86	4	275	
	Tiruchengodu Taluk.											
171	Mamundi ...	636	...	...	3700	4336	1525	150	298	6	335	
172	Samudram ...	242	...	...	2750	2992	1140	91	157	3	450	
228	Gudalur ...	871	110	15	3000	3496	380	104	187	3	600	
232	Ernapuram ...	600	150	...	5000	5750	2755	165	321	42	2358	
267	Edapadi ...	1406	41	...	6000	7447	3680	230	449	2	390	
268	Komarapalayam ...	1258	...	...	7000	8258	5165	226	444	...	...	
269	Illupuli ...	266	...	...	4000	4266	490	104	154	...	...	
270	Edangarcholai ...	125	...	...	500	625	120	28	35	5	490	
	Omalur Taluk.											
104	Taramangalam ...	1168	...	...	6987	8151	2430	384	676	8	774	
106	Tolur ...	650	...	...	2700	3350	400	106	303	...	...	
107	Omalur ...	1710	334	1272	6500	9816	2225	336	707	3	220	
110	Mechcheri ...	780	...	...	5400	6180	770	80	428	9	1645	
111	Vanavasi ...	1775	...	250	9000	11025	5450	301	708	3	715	
115	Pottipuram ...	2157	78	...	10300	12538	3930	416	932	...	...	
116	Jalakantapuram ...	1700	72	9	8100	9881	2200	293	677	1	40	
117	Muttunayakanpatti ...	910	...	...	2750	3660	150	145	413	2	80	
166	Kadiyampatti ...	740	...	...	2300	3040	125	127	299	34	2481	
167	Mallikundam ...	224	165	...	2700	3089	540	82	160	...	...	
168	Pallipatti ...	162	...	...	2000	2162	410	61	104	7	389	
169	Tolasampatti ...	1085	58	116	9150	10859	3565	190	537	...	...	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Omalur Taluk.—(*Contd.*)											
173	Chinnappampatti ...	358	...	...	5100	5458	460	142	258	13	1445	
174	Pannapatti ..	306	4	25	4500	4835	1325	142	309	24	1266	
208	Kanjinayakkanpatti ...	602	...	...	2000	2602	400	114	207	12	903	
209	Nadupatti ...	396	...	30	2500	2926	1054	87	143	...	...	
220	Kalipatti ...	705	...	...	4500	5205	1250	124	295	...	...	
229	Pottaneri ...	478	300	...	3000	3778	1650	168	181	2	32	
289	Manathal ...	496	404	125	6500	7525	3882	106	179	2	45	
290	Maramangalam ...	348	75	5	4560	4988	2160	91	136	...	...	
291	Amarakundi ...	410	375	...	4505	5290	4295	127	175	1	20	
319	Aranganur ...	174	...	30	1000	1204	262	38	42	3	410	
327	Manathal Nallagoundanpatti ...	223	249	...	3000	3472	1910	64	116	...	...	
330	Verkkal Pudur ...	256	...	...	3000	3256	1125	85	132	3	269	
331	Gonur ...	700	57	...	5000	5757	2902	156	244	3	92	
332	Pattaneri Nallagoundanpatti ...	397	30	..	5000	5426	1840	141	210	5	430	
	Coimbatore District. Erode Taluk.											
72	Chennimalai ...	1105	28	844	3200	5176	6810	138	480	5	221	
73	Pudupalaiyam ...	1107	...	...	5200	6307	3191	228	708	16	1190	
184	Kambiliyampatti ...	312	2500	...	2600	5112	2888	115	161	3	620	
185	Kaikolapalaiyam ...	500	28	...	5000	5528	4164	65	188	...	...	
186	Vayapadi ...	246	...	...	3900	4146	2695	86	123	...	...	
234	Perundurai ...	598	43	180	9000	9821	9010	155	253	...	...	
316	Viziamangalam ...	350	...	20	4400	4770	4900	97	115	...	...	
344	Sullipalaiyam ...	267	...	...	5000	5267	1145	113	182	...	...	
386	Palakarai ...	206	...	...	4000	4206	4585	86	86	...	...	
390	Mungilpalayam ...	300	30	...	4500	4830	4970	104	104	...	...	
391	Sivapuram ...	179	40	...	2000	2219	2249	64	64	...	...	
402	Attavanai Pidari ...	570	7	7	4000	4584	5064	13	13	3	261	
409	Metta Pudur ...	305	59	7	5000	5371	6384	76	76	...	...	
410	Pudur Pudupalayam ...	82	20	...	1500	1602	1645	...	...	...	...	
411	Varupalayam ...	110	...	...	2000	2110	2450	20	20	5	313	
414	Viramandapalayam ...	188	10	...	3500	3693	3800	60	60	...	...	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Erode Taluk.—(*Contd.*)											
415	Sirakulanji ...	56	...	...	500	556	550	6	6	...	...	
416	Kanjikoil ...	167	43	160	3000	3370	3340	57	57	3	155	
417	Vadamugam Kangayampalayam ...	185	30	...	6250	2465	3100	51	51	...	...	
422	Delavayapalayam ...	147	...	...	2500	2647	2780	21	21	...	...	
423	Tuduppatti ...	72	...	...	1000	1072	1100	1	1	...	...	
488	Kavundenpalayam ...	128	6	...	2000	2134	2230	5	5	...	...	
501	Makasipidiyur ...	483	13	...	2500	2993	3375	41	41	1	50	
	Dharapuram Taluk.											
264	Sivamalai ...	350	...	...	1000	1350	1888	51	63	...	...	
317	Kangayam ...	538	...	...	3500	4038	4710	120	140	4	345	
	Palladam Taluk.											
546	Sulur ...	870	55	...	5000	5925	6098	99	99	...	...	
	Udamalpet Talk.											
360	Karatholuvu ...	578	...	6317	...	6890	7180	147	245	1	85	
	Trichinopoly District.											
	Udayarpalayam Taluk.											
68	Jayankondasholapuram.	2009	524	104	15250	17887	8450	451	1217	2	80	
93	Tirumalavadi ...	1345	...	2550	3600	7495	5855	225	458	2	100	
198	Udayarpalayam. ...	586	...	...	3540	4126	2915	68	76	...	...	
129	Tattampatti Palur ...	304	...	70	1900	2274	1740	34	38	...	...	
200	Minsuritti ...	610	...	...	2650	3260	1559	76	140	...	...	
203	Kilakavattamkurchi ...	492	50	...	4150	4692	820	167	199	...	...	
285	Kalleri ...	1022	...	...	7300	8322	5170	281	311	...	...	
531	Kodalikaruppur ...	136	...	...	2500	2636	2678	18	18	...	...	
538	Edanganni ...	86	...	...	3000	3086	3079	10	10	...	...	
548	Porpadanjanallur ...	161	...	...	3000	3161	3160	22	22	...	...	
549	Chintamani ...	65	...	...	2000	2065	2074	10	..			
550	Udayarpalayam Zamin. kodungudi ...	111	...	...	3000	3111	3111	19	19	...	...	
	Perambalur Taluk.											
69	Perambalur ...	767	...	...	1300	2067	980	41	299	6	811	

* Includes the loan of Rs. [illegible]

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Musiri Taluk.											
179	Kolakudi ...	282	...	...	3750	4032	3590	88	148	...	...	
180	Appannanallur ...	94	...	...	800	894	456	23	89	13	534	
183	Nagayanallur ...	458	20	...	7250	7728	2730	217	376	...	...	
195	Tottayam ...	209	...	...	2525	2734	425	35	99	23	1570	
256	Alattudiyampatti ...	57	...	...	740	797	700	31	31	1	400	
257	Karikali ...	116	...	...	2800	2916	3065	38	33	...	...	
265	Kalatur ...	99	...	...	1900	1999	2287	43	49	10	565	
	Trichinopoly Taluk.											
30	Lalgudi * ...	3140	17643	5172	...	....	18240	587	2499	3	440	
237	Samayapuram ...	164	...	...	4800	4964	3745	34	51	2	150	
238	Irungalur ...	432	...	6000	7210	13642	7075	144	271	17	538	
273	Valadi ...	317	2264	11596	...	14177	18545	222	272	...	...	
	Kulitalai Taluk.											
194	Manavasi ...	206	170	...	4500	4876	3690	145	184	7	501	
196	Malayadipatti ...	160	31	665	4100	4956	3166	91	138	...	...	
197	Manapparai ...	246	...	...	4500	4746	1795	53	136	...	...	
213	K. Periyapatti ...	186	270	...	4800	5255	2940	89	108	13	1075	
214	Pudukottai ...	97	...	...	4000	4097	4248	67	67	4	873	
418	Kulittalai Zemin Pannapatti ...	110	...	...	4000	4110	4065	—3	...	...	...	Loss.
	Namakkal Taluk.											
20	Velur† ...	4260	3208	8145	6550	23763	18180	483	2360	1	50	
207	Paramati ...	388	....	...	2300	2688	2825	89	184	4	192	
210	Vengarai ...	662	...	...	3900	4562	1715	141	249	13	811	
216	Tuttikulam ...	556	1181	100	2600	4437	2171	156	209	1	20	
323	Kalappanayakkanpatti..	1090	1574	...	5500	8164	3872	230	385	...	...	
342	Sendamangalam ...	292	50	200	2000	2542	350	69	96	5	300	
	Madura District. Dindigul Taluk.											
221	Vedasandur ...	74	...	...	1500	1574	820	15	15	5	260	

* Includes the loan of Rs. from Government.

† " " " 1600

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Dindigul Taluk.(*Contd.*)											
222	Koilur ...	146	...	...	5000	5146	4529	46	46	...	...	
	Periyakulam Taluk.											
145	Periyakulam ...	2350	3300	7076	...	10375	12206	433	745	7	475	
	Tirumangalam Taluk.											
439	Velandur ...	133	...	3500	...	3633	3631	55	55	...	...	
440	Sindupatti ...	151	...	...	3000	3151	3150	43	43	1	50	
441	Usilampatti ...	181	...	...	10000	10181	12525	95	95	1	300	
442	Mekkilarpatti ...	208	...	...	5000	5208	5583	91	91	...	...	
447	Ariyapatti ...	116	...	4000	...	4116	4120	55	55	...	...	
448	Vellamalaipatti ...	231	...	...	500	5231	5777	80	80	...	...	
463	Veppanattu ...	104	...	...	2500	2604	2606	27	27	...	...	
464	Kallapatti ...	120	...	...	4000	4120	4110	46	46	...	...	
465	Kattattanpatti ...	163	...	...	4000	4163	4115	51	51	1	50	
466	Ayammettupatti ...	85	...	...	3000	3085	3280	21	21	...	...	
467	Pottampatti ...	126	...	...	3500	3626	3625	17	17	...	...	
551	Nattapatti ...	83	...	1500	...	1583	1575	—4	...	...	...	Loss.
552	Ayankulam ...	114	...	4000	...	4114	4111	—5	...	...	...	Loss.
553	Muttiyampatti ...	120	...	2500	...	2620	2735	— 2	...	...	...	Loss.
554	Aiyampatti ...	107	...	3500	...	3607	3605	—14	...	...	...	Loss.
555	Karakattanpatti ...	112	...	3000	2050	5162	5225	1	1	...	...	
556	Kuravakudi ...	63	...	2000	...	2063	2050	—12	...	...	...	Loss.
557	Tirumangalam Papapatti ...	159	...	4000	...	4159	4177	9	9	...	...	
558	Mekkilarpatti ...	100	...	3000	...	3100	3145	...	...	1	50	
560	Perumapatti ...	202	...	4000	...	4202	4195	35	35	...	...	
561	Nallatevanpatti ...	110	...	3000	...	3110	3100	1	1	...	...	
562	Tirumangalam Malaipatti ...	200	...	3000	...	3200	3215	31	31	...	...	
563	Navarpatti ...	96	...	2500	...	2596	2578	—7	...	...	...	Loss.
564	Vallayapatti ...	100	...	2500	...	2600	2662	1	1	...	...	
	Madura Taluk.											
81	Ottakadai ...	830	...	4000	3500	8330	6900	128	607	8	585	

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Ramnad District. Sattur Taluk.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	R.		Rs.	
18	Nambipuram Agri. Bank * ...	1280	...	240	200	2035	2264	139	772	4	107	
147	Vadamalaipuram ...	928	414	228	4500	6065	9049	170	257	...	...	
292	Tiruttangal ...	232	...	...	3500	3732	3405	73	75	2	150	
412	Alamarattupatti ...	189	62	4	3500	3755	4084	26	26	...	...	
413	Peddasettipatti ...	97	20	...	2000	2117	3110	4	4	4	140	
420	Singamalaipatti ...	110	3	5	1500	1518	211[illegible]	—5	...	...	...	Loss.
438	Vettilaiyurani ...	109	10	...	1500	1619	1565	6	6	6	215	
434	Ramalingapuram ...	86	4	...	2000	2090	2075	— 8	...	2	75	Loss.
435	Marveri ...	328	30	...	4500	4858	5050	16	16	1	25	
450	Melamathur ...	89	...	...	1000	1089	1010	—2	...	...	...	Loss.
458	Amattur ...	78	...	...	1500	1578	1765	1	1	...	...	
474	Tayilupatti ...	212	...	...	2500	2712	3580	24	24	...	...	
477	Thandangum ...	193	4	60	4000	4257	4250	3	3	...	...	
484	Vellayapuram ...	195	13	...	4000	4208	4550	12	12	...	...	
532	Kallasennapatti ...	127	20	...	3000	3147	1150	19	19	...	...	
559	Periya Vadivar ...	132	...	...	1500	1632	1625	15	15	...	...	
583	Kallavalavagampatti ...	80	4	...	...	84	77	4	4	...	...	
584	Bhuvanathapuram ...	171	25	...	2000	2196	2200	18	18	...	...	
586	Sattur Anaikattam ...	81	...	...	1500	1581	157[illegible]	—4	...	...	...	Loss.
589	Salvarpatti ...	170	...	...	...	170	190	31	31	...	...	
590	Subramanyapuram ...	83	...	...	...	83	7[illegible]	8	8	...	...	
	Srivellipattur Taluk.											
239	Ayurdanam ...	80	2	...	1500	1582	454	23	31	...	...	
240	Vellaipotti ...	128	...	...	1700	1828	651	27	57	...	...	
443	Srivillipattur Mangalam	377	117	...	4000	4494	4535	34	34	10	131	
444	Kalanjakkricichi ...	119	...	...	2500	2619	2766	1	1	...	...	
451	Tachchakudi ...	144	...	...	2000	2144	2773	14	14	1	27	
452	Vedapatti ...	155	...	...	1500	1655	1655	24	24	1	25	
533	Sukkaravarapatti ...	107	16	3	2500	2626	2645	11	11	...	...	
	Tinnevelly District. Ottapadaram Taluk.											
6	Vilatikulam Agri Bank†	725	482	712	1400	3914	[illegible]765	155	1024	1	100	

* Includes the Loan of Rs. 315 from Government.

† „ „ „ 595 „

Registered No.	District. Taluk. Name of Society.	Amount held on 30th June 1911.					Amount of loans disbursed to members or societies during 1910–1911.	Net profit 1910–1911.	Reserve Fund after audit 1910–1911.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Tanjore District	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Tanjore Taluk.											
9	Malatur Agri. Bank* ...	4166	25	...	2500	7496	7612	493	1879	3	250	
78	Tittai ...	396	1295	2360	...	4021	3030	41	154	1	50	
	Kumbaconam Taluk.											
82	Poundarikapuram ...	1270	2804	6350	...	10424	4505	258	702	2	483	
89	Anakkudi ...	465	...	...	600	1065	516	53	166	16	439	
349	Alangudi Mahanam ...	564	21	8	1800	2393	2199	45	63	...	...	
408	Pattiswaram ...	251	...	...	2500	2451	2745	49	49	...	...	
	Shiyali Taluk.											
79	Valluvakkudi ...	515	...	...	2500	3015	3040	190	307	3	154	
	Nannilam Taluk.											
76	Sengalipuram ...	1415	1818	1770	...	5003	1900	154	479	10	920	
	Mannargudi Taluk.											
7	Nidamangalam Agri. Bank† ...	3872	2334	4488	...	11194	14025	245	1885	7	276	
	Tirutturaipundi Taluk.											
325	Panchandikulam Nadusetti ...	248	...	...	4200	4448	800	99	152	...	...	
326	Vaduvanjeri ...	195	...	...	2500	2695	280	65	83	...	...	
421	Marattur Terkkusetti...	327	...	...	4000	4327	4300	98	98	...	...	
	Tirutturaipundi Taluk.											
426	Perandiyankarai ...	138	...	...	1500	1638	1780	23	23	...	...	
489	Ayakkarambalam ...	150	...	...	2000	2150	2100	17	17	...	...	
	Pattukottai Taluk.											
31	Anaikkadu ...	...	130	425	4800	5355	2975	129	746	23	1452	
35	Rajamadam ...	...	10	...	2800	2810	75	43	322	40	2427	
480	Alattur ...	231	...	...	4500	4731	4730	34	34	...	...	
481	Palattali ...	126	...	...	2400	2526	3585	18	18	...	...	
	Malabar District.											
	Palghat Taluk.											
372	Kannambra ...	590	2090	2605	...	5285	9194	51	153	2	26	
	South Canara District.											
	Uppinangadi Taluk.											
181	Puttur ...	677	1155	2426	...	4257	8190	291	257	...	...	

* Includes the loan of Rs. 805 from Government.

† " " " 1400 "

future of the movement depends upon the extent to which honorary organisers assist in pushing on the work of the department.

2. From the working of the Act during the last six years it has been made abundantly clear that for the successful working of Societies the following rules have to be adopted :—

I. Objects of Co-operative Societies.

Applicants for societies have to be distinctly informed that the object of societies is not merely to free individuals from debt but to relieve societies as a whole and train them to habits of thrift and that consequently people heavily involved are not to be encouraged to form societies to obtain a small and necessarily inadequate relief for themselves. For instance a society may be formed by the efforts of a single individual with a debt of Rs.10,000 in the hope of directly or indirectly appropriating for his own debts the major part of any loan that may be sanctioned to the society. This is a distinctly bad type of a society. The kind of society that ought be encouraged is one with many applicants eager to get rid of small debts for which they pay heavy rates of interest.

II. Modus Operandi.

In dealing with applications for societies Honorary organisers are requested to enquire what the number of applicants is likely to be. The statutory number, ten, has, in practice, been found insufficient. The total assets of applicants for membership and the amount likely to be required by them, as loan, in the first instance are among the factors to be considered by the Registrar. It may be again repeated that the formation of societies where the big man or the big family is heavily involved has to be avoided. Honorary Organisers are specially requested to see that the first loan asked for is such as will leave a margin for subsequent additional loans on the security of the original assets of the society.

III. Principles to be studied by applicants for societies.

Honorary organisers are requested to impress on the minds of applicants for societies that too much importance cannot be attached to the need for observing *punctuality* in all matters connected

with the society. Reduction of interest which follows in the wake of the movement is comparatively a matter of secondary importance, the primary object being to develop in people the moral qualities of thrift and punctuality. The moral, as apart from the economic aspect of the movement is of such vital importance that those applicants who before they began to think of a society were hopelessly irregular in paying interest—even if it be to usurers—may well be left alone.

(b) It is desirable that applicants for societies should realise fully the significance of unlimited liability and understand that although unlimited liability is a source of credit and a financial pillar of support among honest people combining to form a rural society, serious consequences may ensue if people with evil designs are admitted into or are encouraged to form such a society. In a well-managed society there is nothing that ought to deter even the rich from pledging their unlimited liability. In fact, rich men, have to be persuaded to join the society. In unlimited liability rural co-operative societies, small share capital, small entrance fees, honesty and character in applicants are the most important and useful requisities.

IV. How to Recommend Registration.

When everything is ready the good effects of the work done are sometimes spoiled by dilatoriness in recommending the registration of a society. Honorary Organisers are requested to bear this in mind and to secure the early adoption of suitable by-laws by societies so that nothing may stand in the way of prompt registration. I beg to recommend the inclusion in the by-laws of all societies a provision as to the making of Provident deposits. To secure the stability of societies it has also been found necessary to include a rule that the reserve fund shall be indivisible and shall, in the event of the society being dissolved without another society immediately taking its place, be utilised for some purpose of public utility in the village.

outstanding overdue; and if there is too much, he shakes his head. A council will not suffer money to be loaned at a loss. Make your council large or small, but have one. I prefer a large one. But the number of its members is a minor point. Mr. Fiske Warren, who has worked for the establishment of Raiffeisen Banks in the far Philippines, is starting his "Raiffeisen Guilds" in Massachusetts with councils of three. The same number occurs in some Raiffeisen banks in the South of France. So long as the three do their duty it is well.

I hope that on this point as on one or two others, now that affairs appear about to be rearranged, your rules will be revised.

You do well to call attention pointedly to the mistake of having idle money. That must mean loss. And that is the reason why I am so strongly opposed to the scheme taken up on this side of the Channel by our millionaires who seem as little familiar with the main principles of Raiffeisen organisation as the proverbial "Londoner" in his tip-top civilization, is with facts of country life—of providing money first, before there is any need for it, by a banking institution, in such case misnamed a Central Bank, or by advances from the State or otherwise. Raiffeisen banks are purposely so organised as to be in a position to raise money at any time in order that they may be able to avoid this evil. Credit is what they require, not cash.

Talking of State aid, at the very time when, as I presume to suppose, these lines will be before your readers, I shall, *D. V.* be attending the annual Congress of the parent Raiffeisen Banks of Germany, in great part in order to congratulate them warmly upon the courage that they have shown in at length shaking off the yoke of State assistance, which, having been practically forced upon them shortly after 1895—they never required assistance—has lain heavily upon them for about fifteen years.

Some 4,500 rural banks broke loose from the State connection, shaking the dust off their feet in disgust. They can get all the money they want elsewhere in a business way.

One more of your points, please allow me to drive home. The members of your banks are not working for a single transaction.

They are working to set up an institution intended to last. That may in the first period require a little self-denial. Your members should be willing to pay a little higher interest to make their bank self-supporting. The time will come when it will be able to lend at 4 per cent. or may be less. The first Raiffeisen Bank started in Italy, at Loreggia, found that it could make thinks balance at 5 per cent. But its members recognised that they must have a reserve fund; and so, unanimously, they resolved to pay 6 per cent. They have their reward in the greater solvency of their bank. Some of your banks seem in a worse case, for they cannot produce an even balance sheet. They should not grudge that additional percentage. It will be only for a time.

Yours faithfully,

Henry W. WOLFF.

The real purpose of co-operation.

We are in harmony with the best sentiments of the movement if we recognise that we are not here merely for the production of good goods, the sale of pure commodities, and the distribution amongst consumers of the results of their toil and industry, but that we combine with those laudable enough purposes work which will accrue in the production of a better type of man, one with more education and better fitted for the discharge of all the duties of the citizen.

(The Co-operative News.)

CIRCULARS.

Circular issued to Honorary Organizers dated 25-9-1911.

I have the honour to bring to your notice the fact that the season for organising co-operative societies has commenced and that during the ensuing half year the endeavours of the department will be directed mainly towards the work of organising co-operative societies. May I solicit your active sympathy and cordial co-operation in the matter? It has been accepted on all hands that the

ADVERTISEMENTS.

The Big Conjeeveram Urban Weavers' Union,
Raja Street, Big Conjeeveram.

(*Established December 1905*).

OBJECT :—To improve the economic and moral condition of Weavers.

Profits are utilised for the exclusive benefit of Weaver members.

Male cloths, durable and well-made, can be had from the Union to the following prices.

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Secretary.

22—12—1909.

Adyar, Madras 600 020.

The Madras Bulletin of Co-operation.

Vol. III. **10th MARCH 1912.** **No. 3.**

* ELEMENTS OF CO-OPERATION.

(By the Registrar.)

I intend to speak to you to-night about the elementary theory of co-operation. Most of my hearers are students and it may not be amiss to expound to students the theory of co-operation for the better understanding of the subject by them as well as by their elders.

Combined human effort may take one of three forms :—"all for one" "one for all" and "all for all."

When the labour of many goes to the profit of one individual or a group of individuals, as in slavery, absolute monarchy, etc., we have the exemplification of the principle of "all for one." Then there is the principle of "one for all." It is sometimes said that the appeal to self-interest is the only appeal that is heard by men. It is not so. There is also the appeal of "one for all" where one labours for the tangible benefit of all.

Co-operation is a compromise between the two principles. It says to every man "you cultivate your own interest by cultivating that of your neighbour." It evinces itself by equally, impartially, and scrupulously dividing, among all that have contributed to the result, the profits of any enterprise.

There are other aspects of co-operation in which it may appear to be a compromise rather than the logical development of a single theory or principle. Generally speaking, it does not adopt difficult or invidious standards but is eminently practical.

* Based on a lecture, delivered in the Kellett Institute, Triplicane.

It does not die a martyr's death for the principles of equality, fraternity or liberty, but it allows each society to fix its ratio of distribution [illegible] fairness. Although it declares itself in general terms against usury, yet it takes care not to lay down a fixed or maximum rate of interest. If other lenders demand 15 per cent and if the members are willing to pay 15 per cent, it says to them "take 12." If others demand twelve, it says to them "take ten." It does not say "be just" but "be more just than the non-elect." Its principles are progressive but they are not radical or communistic. The communist wants every one to live on the common stock and to have nothing of his own. The co-operator does not interfere with private property but he asks every one to contribute something for the common good.

On the other hand, it does not ask for charity. Charity is good for the giver but it does no dignify the receiver. In Europe, state charity is detested. State charity is generally coupled with unpleasant conditions and private charity must involve a surrender of principle in the receiver. A man of principle disdains to receive aught as charity and co-operation respects this noble pride. A man cannot give to a co-operative society on condition that others hold out their hands and bow their heads to him. If he gives, he is welcome, but on condition that he is also a receiver. The first principle with co-operative societies ought to be to give money, money's worth and not to take money for nothing. Other things they may and do take for nothing; time, labour, thought and even skill: but money can come in only as money, as a suspected customer, to be dealt with at arm's length. It cannot come in as a visitor from fairy land with the glamour of charity or the seduction of bribery.

Now in this country there is a view of charity which is not the co-operative view. A man is supposed to have "claims" to charity when he can claim nothing else. In the latest number of *Punch* there is a story of an American in London who, being disgusted with the tips he has had to pay for every service rendered, finally leaves for the station in his cab, when there comes a lad to him who asks him for the "usual" coppers. "How usual?

You have done nothing." "But I saw you getting into the cab" is the answer of the would-be claimant. That idea of supporting a man simply because he has the honour to be, to breathe, to exist, is the root of a great deal of evil in this country and co-operators should fight against it. They should expect no money to be given them as charity even when the receiver of the charity is to be a co-operative society, and they should inculcate a proper use of money.

While on the one hand co-operative societies legislate against improper uses of money, it is not on the other a shame to borrow form a co-operative credit society because every loan given by a co-operative society is hall-marked as a legitimate loan. Its motto is not "Don't borrow" but "borrow for a productive purpose." Mankind, in spite of their instinctive dread of borrowing, have long since found out that the use of another's money is one of the many services that may and must be paid for; and just as it is no shame for a master to be served by a servant who has contracted with him for such service, so it is no shame to borrow when you can and will repay, as the saying is, with interest. The moralist advises men not to borrow at all but to live within means, but a thousand and one circumstances arise in this complicated modern world of ours under which the best method of living within a man's means is to borrow as far as his means, that is his credit and capacity for repayment, will allow. If a man is left in the world with a large estate and no bread for his breakfast, it would be a sorry morality which required him to sell a bit of his estate and buy bread therewith. Other cases can easily be imagined in which it is justifiable to borrow. A large number of commercial undertakings, including limited liability companies, and all civilised governments subsist on borrowed money and borrowing, in such cases, spells credit.

All borrowing is not credit and co-operative societies have plans to distinguish borrowing on credit from borrowing without credit. When a man attempts to borrow in the open market he is usually asked to produce his security. In other words, the borrower carries with him a presumption of insolvency and the ingenuity of money lenders has devised every possible means of safeguarding them against this presumption. A co-operative credit

Society registers men as " members " by which is meant that they are fit to borrow; and all men certifying one another as fit persons to borrow further pledge one another's liability in proof of thier mutual trust. If we reflect upon it, this is a very serious thing to do. I step into a shop and the shop keeper tells me "B wants me to sell a watch on credit. May I do so ?" If I say, " Oh, yes; you can trust him," it does not follow that should B abuse his trust, I must pay for the watch. But what would you think of me if I stepped into one shop and wrote down. " I am responsible for B's transactions in this shop " and then in another, " I hold myself liable for C's credit" and so on in respect of all my friends down to X, Y, Z? you would think me hardly sane. And nevertheless this is what every one of the members of our 600 rural credit societies has done. The only difference, and this is a vital difference, is that they first of all admit only honest men as members of their societies and secondly even honest men are allowed to borrow and to stand surety only up to a certain limit.

You will ask me " Do societies never make mistakes in regard to the men they admit as members ? Even where they advance loans on surety, does it never happen that the borrower and his surety agree to deceive, that is, conspire to defraud and thus put the society to loss ?" The thing cannot happen with rural societies in the Madras Presidency, which are constituted on a land basis: there either the man who deceives or his surety must pay with his land, so that the society loses nothing thereby.

Bye and bye, when we register rural societies on a basis of co-operative credit *proper*, that is, on credit considered as a matter of personal honesty and not connected with the ownership of land, societies will have to be very careful indeed as to the men they admit. It is perhaps well that we have not entered as yet on on this stage of co-operative credit. Before it comes we shall have had ample experience through our management of existing societies and should be able better to guard against these possible risks.

Co-operative work is generally regarded as being of three kinds, credit, distribution and production. Co-operative credit is best exemplified in our own country; co-operative distribution in the United Kingdom and co-operative production in Denmark, France, Ireland and Germany.

We, in this country, are accustomed to look at co-operative credit as the initial stage of co-operation and distribution and production as further stages. In England, what is uppermost in people's minds when they talk of co-operation is the wholesale society which produces goods and sells them at a cheap rate to members and others, thus cheapening the cost of obtaining that which is produced. There were in 1906 more then 1400 stores, as such societies are called, with nearly $1\frac{1}{4}$ million members, £33 million of capital and sales exceeding £ 63 million in the year.

This shows the practical working of the practical English mind. We in India have done something to imitate English doings and here, in Triplicane, you have our premier distributive society which has achieved so much success and stands so unrivalled that I have to add *nil simile aut secundum*. I do not wish to speak disparagingly of Madura, our second society of the same kind, or of Coimbatore, our third society. But our whole work under distributive co-operation cannot, by any means, be compared with our whole work in co-operative credit. There are several reasons for this comparative failure. In the first place it takes more money to run a co-operative store than a credit society. You cannot run a store all with borrowed money as you can, a credit society. In the second place it takes more men. In the third place there is no standing still in the stores line. You want management and paid management, regular sales and salesmen and all that. Above all the members should stand by their society whether or not the shoe pinches. " Cash not, credit," is another great difficulty : we must not go to a store society for credit just as cannot go to a credit society for stores. Many people are anxious to set up stores but it is well that they should think of all the necessary conditions, the *sine qua non's* of store societies.

Under co-operative credit we can show some really good work in this Presidency. For the figures, I should refer you to the report which will shortly be published. I am now dealing with the elementary theory of co-operation and I must tell you something about the theoretical basis of our co-operative credit societies. The country of origin of co-operative credit is Germany and Raiffeisen is the father of co-operative credit. He discovered

and put in practice the principle that unlimited liability, by itself, can command credit.

Societies constituted on an unlimited liability basis have great possibilities of work in small areas, because the people know one another and unlimited liability has no meaning unless people know one another intimately. Where they do know one another, they command credit and by commanding credit and working patiently and economically they build up a reserve fund which serves them as a capital.

Our urban societies, of which we have some thirty, are established on a limited liability basis like joint stock companies, but whereas, in a joint stock company, there is a sharp distinction between the shareholders and those who bring the grit to the mill, there is in the co-operative limited liability company unity of interest between the shareholders and the "many"; in fact, all the workers are also shareholders. In other words, an ordinary limited liability company is only a highly developed example of "all for one" whereas the limited liability co-operative society has still for its motto, "all for all".

The History of the Co-operative Movement in India.

(by M. R. Ry. Rao Saib K. Vijayaragavachariar Avl., M. A.)

—(:o.)—

The Co-operative Credit Societies Act (India, Act X of 1904) was passed in the beginning of 1904. As its name implies, it deals only with one aspect of co-operation, *viz*, co-operative credit and provides for two kinds of co-operative credit societies, Urban and Rural. Urban societies are intended to serve those centres where the majority of the population is non-agricultural, consisting of artizans, traders and the like and where the people are not likely to know one another so thoroughly as in country parts, while rural societies are intended to serve villages where agriculturists predominate and where every individual's status and character are well

known to his neighbours. The Act therefore lays down that the liability of the former kind of societies should generally be limited and that not less than four-fifths of the members should be non-agriculturists, while the liability of rural societies should be unlimited and four-fifths of their members should be agriculturists. The area of operation, in either case, should be limited, being confined in the case of an urban society to a town or a union village and in the case of a rural society to a single village, or two or more villages closely adjoining each other. Any number of persons, not less than 10, may form themselves into a society and apply for registration and if their application is found to be *bona fide*, the society will be registered under the act and will have all the privileges conferred by it. To encourage the movement, the Government of India have, by notifications, exempted the transactions of all co-operative credit societies, from all fees leviable under the Stamp and Registration Acts and also from all liabilities under the Income Tax Act. In the initial stages, Government were also pleased to offer pecuniary subvention to rural societies to an amount, in the case of any single society, equal to the contributions of its own members, in the shape of share capital and deposits. The entire scheme is worked, in each Presidency or Province, by a Registrar and on the proper choice of a Registrar depended the successful introduction of the act.

The Madras Government chose as its first Registrar, M. R. Ry., P. Rajagopalachariar Avargal (now Diwan Bahadur Rajagopalachariar Avargal, C. I. E.) and the choice was a happy one and an indication of the concern of the local Government for the welfare of the people. Mr. Rajagopalachariar entered upon his duties in July 1904. He had no easy task before him and he was entirely new to the work for which he was selected. He had, however, the qualities necessary for carrying successfully any new scheme *i.e.*, confidence in himself and consummate tact. He intimately knew the nature and habits of the people with whom he had to deal and he could, as an Indian, converse directly and fluently with them in their own language. There was, besides, available for his guidance, good literature on the subject, the memorable report of Sir F. A. Nicholson and the no less useful works of Mr. Wolff especially, the latter's "People's Banks." But the circumstances

The Act requires a town or urban society to contain a minimum proportion of members who are non-agriculturists while a rural society must contain a minimum proportion of members who are agriculturists.

Another distinction made in the Act is that in an urban society the members may have either limited or unlimited liability, while in a village society, the liability of the members should, except with the special sanction of Government, be unlimited.

In some districts of the Madras Presidency especially in Chingleput and Anantapur, cash societies are more numerous than in other districts. The following are instances where the same society combines in itself different types of co-operative work. The society at Madura deals with both stores and banking. Ottakkadai rural society does banking work; in addition, it helps its members to obtain agricultural requisites. Here we have a nucleus for the building up of an Agricultural society. The very first undertaking of this kind of work by its members proved a signal success far beyond their expectation. About seven of the members jointly applied for a loan from the society and purchased a rubbish dépôt from the Municipality and managed it for a year. The small committee managed it so successfully that they were not only able to repay the loan and its interest within 2 months after obtaining it, but they supplied its members with manure at a much cheaper cost than the prevailing rates and managed to earn a net profit of about 700 rupees.

The small committee, instead of sharing the profits among themselves as they might have done, were so generous as to resolve to utilise it for a building to be erected for the use of the society in order to enable its members to repeat similar undertakings. This is very encouraging. But it is nothing when compared to the successes which have followed the co-operative movement in European countries.

The First Ramnad District Co-operative Conference.

(20th and 21st January 1912.)

———:(o):———

The first Ramnad District Co-operative Conference was held in the village of Vadamalaipuram in the Taluk of Sattur, about 8 miles from Tulukkuppatti Railway Station, on the 20th and 21st of January 1912. M. R. Ry., Rao Bahadur G. Srinivasa Rao Avargal of Madura presided. The conference was largely attended and included among those present, co-operators from other districts, like Rao Bahadur R. Narayana Rao of Trichinopoly. 34 out of the 37 societies in the district were represented in the conference.

Mr. R. Ananda Rao, Chairman of the Reception Committee, to whom the conference largely owed its success, delivered a very thoughtful speech. To him it seemed that the fact that so many people attended a meeting, convened in an insignificant village, cut off from the rest of the world by the absence of railway or road communication, was clearly indicative of the devotion of those present to the cause of co-operation. After making a rapid but clear review of the progress of the movement, in this province, he passed on to remark that the Madras Central Urban Bank which was and still continues to be "the wet nurse of co-operative societies" in this presidency stood in need of reform if it was to conform to accredited co-operative ideals.

The president of the conference recounted to the meeting the facts observed by him during his recent visit to the British Isles, in regard to the doings of co-operative societies there. He saw in Scotland, with his own eyes, "spacious buildings owned by co-operative societies where they make boots, soaps, flour and all sorts of things." In European countries people are so attached to the products of co-operative societies; they want their co-operative bread, biscuits, butter, soap; indeed the adjunct seems to have an

Their difficulties :— The co-operative credit societies have to contend against the competition of the public savings banks and the deposit departments of the other banks. Competition on the part of these latter has produced the more impression as it was quite unexpected. The banks are also trying to absorb the co-operative societies and so deliver themselves from troublesome competitors. For this purpose, attempt is made first to induce the general meetings of Co-operative societies to transform them into societies limited by shares in order afterwards to arrange their fusion with the banks. They will never succeed in eliminating the co-operative credit societies in this way, for the more the bank's work of concentration is intensified, the more urgent need will be felt for independent credit institutions for the middle classes.

From the Bulletin of the Bureau of Economic and Social Intelligence.

Co-operation in Austria for Non-Agricultural Purposes.— The following are the figures of 1907 :—Other kinds of co-operative societies existing in 1907 in fairly large numbers were: 469 co-operative credit societies not of Raiffeisen type (Vorschuss-kassen), 279 cattle-breeding co-operative societies, 112 co-operative societies for the collective use of machines, 92 co-operatives societies for sale and purchase, 51 co-operative wine societies, 34 co-operative societies for the cultivation of flax, 21 co-operative cattle insurance societies, 23 co-operative societies for drying chicory, 13, co-operative corn mill societies, 12 co-operative societies for obtaining peat mass.

Co-operative Oil Mills in Africa.—Great progress has recently been made in oilmaking in North Africa: this is due to the installation by the colonies of better fitted up oil mills in the olive growing centres, where formerly olive oil was only extracted by manual methods or by the ancient wooden screwpress. The oil mill treats the produce of the Kabylia and both the manufacturer and the farmer have derived the greatest advantage from this co-operation. The first has a larger yield and a better quality of oil: the second has found a good market for his fruits that he can sell as such, for cash, and more profitably than if he treated it

himself by the former inadequate methods. Thus Boghni in the department of Algiers, Tazmalt, Akbou Sid, Aich, etc., in the department of Constantine, have become important industrial centres, each containing a large number of perfectly equipped oil mills. But this equipment is still defective in many points: the Algerian Government has thought fit to supply the native olive growers with modern oil making plant. According to the instructions given in a circular of 4th March, 1912, a certain number of mills were started to be placed at the disposal of the native farmers and to be worked as co-operative institutions. These factories were intalled in the department of Algiers, in Upper Seavon, Djourdjura, Dra-el-Nuzan, and at Palestro. In the department of Constantine, at El-Milia, Fedj-Mzala: Oued Marsa, Taber, laSoumman, leGuergoer, Altra, Collo and Jemappes. The cost of these oil mills in the department of Algiers averaged 11,625 francs, in that of Constantine the installations were more modest. The official reports state that the oil yield has been increased, sometimes to double or treble the amount obtained in the Kabyle mills. Nevertheless, at the end of the season of 1904-1905, four of these oil mills stopped work: the others were not slow to follow and it seemed the failure was complete. "This" writes M. Lecq" was due to many causes, especially to the hostility of the European owners of oil mills, who, fearing their rivalry, united for the ruin of the undertaking: they did not hesitate for a time to pay the natives a higher price for their olives. These swallowed the bait and would not support an institution: which it was to their utmost interest to keep alive. But the prime cause of failure is to be sought for in the false conception of reciprocity. The co-operative instrument, adds the same writer, was created with the idea that it would in itself suffice to develop the spirit of reciprocity. The natives saw their oil mills closed before they had had time to understand the working and the importance of the institution.

This very interesting example shows that before a co-operative institution is started a need must be felt for it and a desire expressed for it by the parties concerned who must also show their firm intention to make it a success. "Even more is required" justly observes M. Lecq "the parties concerned must co-operate with their own money towards the establishment of the co-operative

institution." State financial assistance can, at most, be admitted toward the cost of installation. In Algeria there is as yet only one group of olive growers who have a factory of their own. This is the Guelma oil mills Society. Though of recent formation it has already given appreciable result. It is a limited liability society in the strict sense of the term: but the profit assured to the olive growers who supply it with the raw material makes them sharers in the advantages of the co-operative effort. Founded with a capital of 25,700 fr. it deals with the olives produced in the district, olives which before its foundation were sold for only 7 or 8 frs. the kilo. To-day, the olives of Guelma and its environs are sold at from 12 to 13 frs. In 1909-12 the factory dealt with 3,500 quintals, in 1907-08 this amount was increased to 5,000 quintals. The production gives an increase as the result of the graftings recently undertaken. The average yield of the olives for the season 1909-1910 was 16 litres 20; the sale price which was only 9,850 in 1907-08 has reached 110 frs. The shareholders, almost all olive growers, receive interest at the rate of 5% and their olives are bought at the maximum price paid by the society. The surplus profit goes to extinguish the debt on the plant and to form a reserve fund.

It is easy to imagine that this successful example will be imitated in other olive-growing centres of North Africa: the more so as the system of collective loans for long periods has been extended to these regions and those conceded under the conditions mentioned above, may encourage the foundation and facilitate the life of the co-operative oil mills.

Farmwomen's Clubs in Europe.

(*From the Bulletin of the Bureau of Economic and Social Intelligence.*)

Organisation and Working.

The organisation of the Farmwomen's Clubs is extremely simple. The idea is to establish them at the end of an itinerant course in housekeeping which has been well attended and in localities where there are already other permanent agricultural schools. The former pupils of the agricultural schools assist in recruiting members,

The club is administered by a president, two vice-presidents, three members and a secretary and treasurer. The subscription is very low, 50 centimes; if several members belong to the same family this sum represents the subscription for the entire family. The subscriptions are paid into the bank, and the sum thus formed permits the organisation of lotteries and tombolas or the purchase of household articles, kitchen utensils, selected seeds, etc.

In order not to interfere with the family duties of the farmwoman, the meetings are not too frequent: they are only held 4 or 5 times a year. On these occasions, lectures are given on various subjects of interest for the farmwoman. They have for their scope the alleviation of her task, sometimes so hard, the amelioration of her lot, to stimulate in her a love for her profession. At the lecture, flower seeds and seeds of the best varieties of vegetables are distributed. Sometimes, even, to increase the attendance at these meetings the committee organises lotteries for household utensils, and also agricultural shows, especially of cow stables.

Most of the farmwomen's clubs have formed libraries, consisting of books on domestic economy, dairy work, hygiene, agriculture, livestock and poultry improvement. Some have founded special newspapers. The Leuze Club which is one of the most flourishing has founded "La Fermiere," intended to remind its readers of the important things they have heard at their meetings. This paper has become the organ of all the clubs of the Walloon districts. It appears every two months. This example has been imitated in the Flemish districts where the paper "Die Boerin" is published every month. The organisers of the clubs aim at the professional education of the housekeepers by means of these papers.

They desire, at the same time to make use of them to create a current of ideas, the result of which should be to make the farmwomen conscious of the nobility of their social position, in order thus to attach them, their children and their servants to the farm, and so to stop the exodus from the country and finally, to maintain Christian traditions among the peasants. Many of the collaborators of these papers are country priests.

The activity of the farmers' clubs is also displayed in the organisation of regional meetings and in agricultural and social

congresses in which they take part. In 1909, a regional congress of farmwomen's clubs was held at Mamur in which there took part more than 600 persons, ladies, men of social action and farmwomen, delegates of 60 country clubs. A very large representation of these institutions took part in the first international congress of the association for rural demography, in which in a special section devoted to women's agricultural work; numerous reports were presented upon their action and their aspirations.

The farmwomen's clubs tend to unite in regional federations with a view to forming a national federation.

Co-operation among Hill Tribes on the Nilgiris.

The Badagas of the Nilgiri plateau are an immigrant hill tribe whose characteristic manners and ways rank in interest and picturesqueness next after those of the Todas. They occupy the whole of the eastern half of the plateau except the tract round Kodanad, but in the west and in the Kundhas, they are few in number. They are the agriculturists of the hills. They also work on estates, on roads and as market gardeners and general coolies. Some of them are also artisans serving their own coommunity and occasionally others. They are illiterate except a few who have attended the Mission Schools and are a recognized backward class.

At the instance of Mr. S. P. Rice, I. C. S., Collector of the Nilgiris, the Registrar of Co-operative Credit Societies inspected a number of Badaga villages in the neighbourhood of Kaiti, Coonoor, Katteri, and Kotagiri with the object of devising measures, if practicable, to relieve the Badagas from indebtedness to the Mahommedan Labbais who are the local sowcars. The Labbai begins operations in a village by opening a bazaar from which he sells on credit the necessaries of life, generally a bag of ragi to commence with. An account once opened at this bazaar advances rapidly with compound interest and the annual produce, whether potatoes or coffee, of each Badaga family having an account with the Labbai, just suffices to keep down the annual interest. If the dry grain raised on the family land, which is generally the only produce that the borrower reserves for his maintenance, proves insufficient, recourse is had again to the Labbai, and numerous cases were reported to the Registrar by the victims themselves and admitted by the bazaarmen in which a bag of grain worth a few rupees and purchased, some four or five years ago, had, at the date of enquiry, developed into a debt of Rs. 300 or Rs. 400.

To rescue the Badagas from such fearful thraldom, it is literally no less in certain cases, by means of co-operative societies, arrangements have been made to start a few rural banks in suitable localities. These banks will not only afford the Badagas facilities of credit but also train them carefully in account-keeping. There does not seem to be any necessity at present to open bazaars for their benefit as they need not hereafter deal with the Labbai shopman on credit.

The first society registered and started among the Badagas is called the "Kerhada Rice Co-operative Rural Credit Society" after Mr. S. P. Rice, who, as Collector of the District, evinced considerable interest in the welfare of this community. The operations of this society are confined to the village of Kaity and its hamlets Kerhada and Lovedale. There were 14 applicants whose net amount of property was valued at Rs. 13,700. A loan of Rs. 2,600 was sanctioned from the Coimbatore District Bank and the society has started work.

Anikorai and Marasal, hamlets of Tuneri village, which is four miles distant from Ootacamund, are served by the Anikorai Rural Credit Society. 15 applicants with net property valued at Rs. 9,860 started the bank with an initial loan of Rs. 3,000. The current rate of interest in the locality ranged from 12 to 36%.

The rural society at Kuruttukkuli, a Badaga hamlet of Nanjanad is also four miles away from Ootacamund, two by road and the next two by footpath. The net value of property owned by the 16 applicants who started the society was estimated at Rs. 17,180 and the initial loan to be granted to them will be about Rs. 3,000. This village is indebted to a few Muhammedan money-lenders at Kandal, whose ordinary rate of interest, ranges from 24 to 72%, to collect which the produce is bought in by them at prices far lower than the average market rates.

The Sholur Rural Credit Society is intended to benefit the village of Sholur and its hamlets Pikkondi, Hosatti, Tattaneri, Kopadi and Pakkoda. It is 11 miles distant from Ootacamund. 20 members owning net property worth Rs. 22,500 have joined. The initial loan required in their case is Rs. 3,200. The local rate of interest is 24%.

The village of Hulikal, Atada, Achenakal and Guddatti in the Coonoor Taluk and Kavadatti, Ekkoni and Okkadavad were also visited by the Co-operative Inspector to ascertain the indebtedness of the Badagas in these places and to select suitable centres for Co-operative work. It is possible that a few more Badaga societies may be registered before the close of the current co-operative year.

AN OIL PRESS SOCIETY.

Extract from the Report of the Triplicane Co-operative Society for the half year Ending 31st Dec. 1911.

To

THE SECRETARY.

Triplicane Urban Co-operative Society, Ltd.

SIR,

In accordance with the wishes of the members forming the Mambalam concern. that your society be addressed as to whether you are willing to purchase the Mambalam concern, I herewith append a statment showing the origin and working of the same from July 25th to December 31st 1911. which, I request you to kindly place before your Directors for such action as they think necessary and oblige.

I remain,

Yours faithfully,

Triplicane 30th January.

(Sd.) C. V. KRISHNASWAMY IYER,
Provisional Secretary
of the Mambalam
concern.

Gingelly Oil and its Supply.

The Supply of pure gingelly oil is one of the problems which the Triplicane Co-operative Society has had to face and solve for a long time past. The feasibility of utilising the agency of mills was considered by the general body of members on several occasions and was at last given up for the following reasons:—

(1) The prohibitive cost of machinery, etc.,

(2) The low percentage of oil expressed.

But the matter could not be dropped as pure gingelly oil was one of the chief articles of daily consumption by the majority of the members of the Society. Hence, some of the members thought over the matter and with the help of a body of friends—chiefly members of

the Co-operative Society, adopted the suggestion of establishing country mills for the expression of gingelly oil. They met in April 1911 and resolved to give the experiment a fair trial. In doing so, they had also in mind other objects, *viz.*, buying and owning land in the village of Mambalam with a view to erect buildings thereon for members to set up mills, and do such other things as may be necessary to promote industrial pursuits on Co-operative lines.

With these objects in view, sites were purchased at Mambalam and country oil mills were located in a portion thereof. A certain number of members joined together, subscribing Rs. 8,950 out of which Rs 6,880 has been paid up. Land to the extent of 6 cawnies, *i.e.*, 6 × 24 or 144 grounds, have been purchased at a cost of Rs. 2,989-4-0. Timber for making the country presses was not procurable near Madras, workmen to make the same had to be procured from the Moffussial and cattle had to be purchased from Mailam, Ranipet and other places, so that preliminary expenses to the extent of Rs. 243-9-7 had to be incurred as a matter of necessity. A few huts for the workmen to live in and sheds for cattle, and for storage of gingelly seed, oil and cake, had to be erected at a cost of Rs. 126-4-8. A few store articles and miscellaneous items cost Rs. 100-2-6.

Seven mills have already been set up and are in perfect working order and there is enough timber for setting up three more mills at least. The value of the mills and timber on hand is Rs. 1,470-10-0.

Six pairs of bulls and two carts were purchased at a cost of Rs. 986-13-6.

For the profitable working of the concern and for the safety of the articles that were bought, stocked for sale, a godown with accommodation for the agent and the workmen became necessary and the work was put in hand. The building is under construction and is expected to be completed by the middle of February. The estimated cost of the building is Rs. 6,000 of which Rs. 3,000 has been spent already.

To complete the buildings already planned aud meet other expenditure; a further outlay of Rs. 2,000 at least will be necessary.

A few pieces of land contiguous to those already bought and necessary for the formation of a complete and compact block, sufficient for our purposes, have yet to be acquired. The extent of land now taken up by the mills and godown is 2 cawnies *i.e.*, 2 × 24 or 48 grounds and the rest of the land is let for paddy or ragi cultivation. The house building and other schemes have not been taken in hand yet.

The Working of the Mambalam Oil Press.

Actual work commenced on the 15th July when only 3 presses were ready, but even the three could not be worked as only one pair of bullocks was purchased, though 4 workmen, the agent and the foreman were ready. On the 29th July, 2 more pair of bullocks were purchased and from the 1st August 3 mills began to work regularly. 2 more mills were ready in September and 2 more by the end of November. Though the requisite number of workmen were engaged, the delay in getting the mills ready for work as well as in the purchase of bullocks contributed to increase the cost of establishment. After the purchase of six pairs of bullocks, none of the mills could be worked owing to incessant rain on most of the days in October, November and December.

The profit actually realised is thus reduced by the charges that had to be met for feeding bulls and paying establishment on days on which the mills did not work. The working of the mills during the last half-year could not therefore be taken as a criterion for calculating the normal profit.

But the work done during the month of January may form a basis for further work in the succeeding nine months, making due allowance for Pongal holidays, extending to nearly a week. Generally, during the months of October, November and December there would be a fall in the profits owing to rain. A separate statement showing the results of the work done during the month of January 1912 will be furnished later on.

The statement of the working of the oil mills at Mambalam from the 15th July to 31st December 1911 is herewith appended:—

		Rs.	A.	P.
1.	Cost of 369 bags of gingelly seeds, etc	5,742	14	3
2.	Amount realised by sale of oil and oil-cake ...	6,738	10	6
3.	Gross profit on 369 bags	995	12	3
4.	Gross profit per bag of gingelly seed works out at:	2	11	2
5.	Feeding charges for bulls	312	13	7
6.	Establishment charges	618	10	4
	Total charges ...	931	7	11
7.	Hence net profit for the period is	64	4	4

The expected net profit is half the gross profit, and its curtailment is the result of causes mentioned already.

The result of working before heavy rains set in (*i. e.*) from 15-7-1911 to 20-10-1911 is as follows:—

1.	Cost of 216 bags	3,254	9	2
2.	By sale of oil and oil-cake	3,936	3	9
3.	Gross profit	681	10	7
4.	Net profit deducting establishment and feeding charges	174	0	9

A Forecast.

From the actual working of the Mambalam concern we are in a position to state that, on an average, each mill working 3 rounds a day is able to crush five-sixths of a bag of gingelly seeds measuring 56 to 60 measures. The cost of the oil turned out equals the value of the seed. What remains is the oil-cake which is the gross profit. The oil-cake realised per day from each mill could be sold for Rs. 2-8-0 which is exactly the gross profit. Thus, in a month of 30 days or deducting 4 Sundays—for 26 working days,—the gross profit—taking it at the lowest—would come up to Rs. 65 per mill. There are bulls to work only 6 mills now though 7 mills have already been set up in working order. So the gross profit for six mills would come up to Rs. 390, against which, the following charges have to be met:—

(1) *Establishment:*

A clerk on Rs. 25, a foreman on Rs. 20, six pressmen including driver-boys Rs. 90.—Total Rs. 135.

(2) *Feeding charges:*—On an average at the rate of Rs. 20 per pair, Rs. 120 per month.

Thus the total charges come up to Rs. 255.

Deducting this from the gross profit, we get a net profit of Rs. 135 per month. In other words on an outlay of Rs. 1,950, the cost of 130 bags of gingelly seeds, at Rs. 15 per bag, which are necessary for fully engaging the six mills, a net profit of Rs. 135 is derived which works out nearly to 7% per mensem. This percentage will increase considerably if we increase the number of mills as the pay of the clerk and the foreman would be distributed over a larger number of mills. The investment on land, buildings, mills, and bullocks and the yearly depreciation on all these items of outlay, will have to be taken into account.

Statement of Account for January 1912.

		Rs.	A.	P.
To	Cost of 92½ bags gingelly seeds	1,492	7	8
,,	Cleaning charges for do.	7	5	0
,,	Jaggery	28	2	6
	(1) Total Rs. ...	1,528	0	2
To	Establishment charges	132	0	0
,,	Feeding	78	1	0
,,	Toll, cart hire, cooly and old gunnies	9	13	6
	(2) Total Rs. ...	214	14	6
By	sale of oil 237½ maunds	1,459	7	11
,,	of oil-cake	350	2	0
	Total ...	1,809	9	11
	Deduct item (1) ...	1,528	0	2
	Gross Profit ...	281	9	9
	Deduct item (2) ...	214	14	6
	Net Profit ...	66	11	3
	To this, must be added the cost of 93 gunnies, in stock ...	20	0	0
	Total Net Profit ...	86	11	3

There was no work for 11 days in January as the workmen were absent for Pongal.

(Sd.) C. V. KRISHNASWAMY.

TRIPLICANE,

4—2—12.

Two Co-operative Societies for Teachers.

The Trivadi Teachers Rural Credit Society No. 834 and the Tanjore Teachers Urban Credit Society No. 835 have recently been registered as Co-operative Credit Societies under Act X of 1904. These societies were organised for the exclusive advantage

of Elementary School teachers in or near the places mentioned who thus form a class society under Section 3 Clause 1. (*b*) of the Act. Homogeneity in standing, means and social position among the members, is certainly one of the essential characteristics of a truly co-operative organisation. Upon this principle co-operative societies have already been formed in other provinces for salary earners. The members of such a society are generally the employes of a particular office or of a definite number of offices or of the offices in a particular locality. The offices may be Government or mercantile. The Registrar of Co-operative Credit Societies, Burma, has issued a leaflet (printed elsewhere in this bulletin) on the subject of co-operative societies for salary-earners and he there points out that where such a society is well managed, on business lines, it confers great benefits both on the employers of the members of the society and on the members themselves.

The Madura Ramnad Central Co-operative Bank, Limited.

At the instance of M.R.Ry. Rao Bahadur G. Srinivasa Rao Avl. and M. R. Ry. K. Ramaswami Aiyar Avl. a Central Co-operative Bank has been organised in Madura for the purpose of collecting funds for being lent out to co-operative societies situated in the districts of Madura and Ramnad. Whilst this bank resembles other district banks, in that it is to finance rural societies, it differs from them in this respect, that its by-laws provide that one-half of the number of shares of the proposed bank are to be reserved for co-operative societies. Moreover these societies are to have a dominant voice in the administration of the bank. Four of the seven members of the managing committee are to be elected by the representatives of the share-holding societies. Thus the by-laws of this bank embody an idea, much advocated in co-operative circles but hitherto unknown in this presidency, namely, the building up of a Central Bank on purely co-operative lines. The Registrar as well as the Deputy Collector for co-operative societies, Trichinopoly, was present at the time of the organisation of the bank.

A New Town Bank for Madras.

Some of the leading citizens of Madras, prominently among them, the Hon'ble Mr. T. V. Seshagiri Aiyer, the Hon'ble Rao Bahadur Mr. Tiyagaraya Chettiar, the Hon'ble Diwan Bahadur L.A. Govindaragava Aiyar, the Hon'ble Diwan Bahadur M. Adinarayana Aiya, Mr. T. Rangachariar, Diwan Bahadur P. Rajaratna Mudaliar C. I. E., Rao Bahadur S. Mangesh Rao, and Rao Sahib V. A. Parthasarathy Mudaliar, have been interesting themselves in the formation of a new Co-operative Urban Bank in Madras for dealing effectively with the evils of sowcar borrowing. A preliminery meeting was held at Pachayappa's Hall on Tuesday, the 6th February 1912. The object of the conveners was to start a Town Bank on a scale sufficiently large for enabling the citizens of Madras to obtain loans and to make deposits. The Registrar of Co-operative Credit Societies was requested to explain to the meeting the objects of the Bank and also to speak about a set of by-laws drafted by the conveners. The meeting resolved to refer the draft by-laws to a select committee consisting of twelve members. The committee completed its task in a series of meetings of which the last was held on 25th February 1912. The necessary application to the Registrar for the registration of the society will probably be presented soon.

Registrar's notes of Reports read by Societies before the Ramnad Dt. Co-operative Conference held at Vadamalaipuram

on 21st January 1912.

No. 239. Ayurdharmam. The village is 22 miles South West from Tirumangalam. It has about 80 houses; most of the inhabitants of the place are agriculturists in moderate circumstances. The Society began two years ago with 20 members and has now on its rolls 24. The society has had two or three general meetings. The panchayat are at one in all matters and hold monthly meetings. The society has borrowed Rs. 1500 against a maximum borrowing power of Rs. 2000.

No. 240. Vellaipottal in the Srivalliputtur Taluk is 1½ miles from Ayurdharmam. There are now 26 members in the society (began with 22) and the property of the members is about Rs. 50000. The society is composed of Nayakkars with the exception of 5 or 6 Brahmans and one Palla who has had a loan of Rs. 50. There are 3 Brahmans on the *panchayat*. The society has borrowed Rs. 2000 of which Rs. 720 was allotted to members of the *panchayat* (Rs. 250+60+60+100+250). Loans were regularly collected.

No. 292. Tiruttangal is near Vadamalaipuram. The society has 52 members, 5 Brahmans, 1 Mudaly, 3 Satanis, 10 Pillais, 4 Nadars and the rest Maravas. There are no Palla members. The society has borrowed Rs. 3500 against a borrowing power of Rs. 5000. The panchayatdars have borrowed Rs. 800. The *panchayat* is free from faction.

No. 412. Alamarattupatti. The society has 51 members consisting of Nayakkars with but one exception, a Sakkili who has got a loan of Rs. 10. It has borrowed Rs. 4900 (borrowing power Rs. 5000.) More money is required for being loaned out to new members. Prior loans which the society paid off carried 9 to 12% interest. The members want to pay interest only once in the year.

No. 420. Sengamalapatti is 1½ miles from Vadamalaipuram. It has now 33 members, having begun barely a year ago with 22 members. The members are Nayakkars, and have borrowed Rs. 2900.

No. 433. Vettilaiurani is 8 miles south of Vadamalaipuram. Of the 56 members 20 are Nayakkars. Some are Pillais.

No. 435. Maraneri is 3 miles west of Sivakasi. The society has 90 members composed of Nadars and Nayakkars.

No. 443. Mangalam. The place is 8 miles from Vadamalaipuram. The Society has 94 members and has borrowed Rs. 6000.

No. 444. Kalayarkurichi is 6 miles from Vadamalaipuram. The society was organised in December 1910 and has 30 members.

No. 450. Melmattur is 3 miles from Vadamalaipuram.

No. 614. Kolwarpatti is 2 miles from Veppilaipatti Railway Station. The president is Mr Paranginatha Pillai, a co-operator.

No. 474. Tadangam is near Tulukkupatti. The society has 80 members. The president, Mr. Venkatachella Mudaliar is examiner of 3 societies.

No. 451. Tachakudi is 8 miles west of Vadamalaipuram. It has 30 members. All the prior debts of the members have been discharged with the help of a loan of Rs. 3200.

No. 653. Avadayapuram is 2 miles from Tulukkupatti.

No. 484. Vellayapuram is 4 miles from Vadamalaipuram. The society has borrowed Rs. 4500. With loans obtained from the society 3 members built houses and one converted his thatched house into a tiled one.

No. 458. Amattur is 5 miles from Vadamalaipuram. The society has 28 members.

No. 452. Vadapatti is 7 miles from Vadamalaipuram. There are 54 members in the society.

No. 590. Subbiramaniyapuram is at a distance of 10 miles from Vadamalaipuram. The strength of the society is 43. Fifteen members have contracted loans for building houses.

No. 583 Kalluvinayakkanpatti is 5 miles from Sivakasi. The society is composed of 18 members.

No. 725 Andukondam. The President of the society states that other villages are ready with applications for societies.

Extracts from Speeches.

Speech of the Hon'ble Sir Harvey Adamson Kt., K. C. S. I., I.C.S. Lieutenant Governor of Burma at the First Agricultural and Co-operative Conference in Burma (July 18th to 21st.)

Gentlemen.—I am glad to welcome the members of the First Agricultural and Co-operative Conference which has been held in Burma. Representatives of agriculturists, the mercantile community, the rice millers, the bankers, the transport companies, and the pioneers of co-operation meet at this Conference to discuss matters appertaining to agriculture and credit, in which their mutual interests are bound up. I say mutual interests, for it is a fallacy to suppose that the interests of the merchant and those of the cultivator are antagonistic. Thus, to take as an example, the paddy trade in Burma, forms an important branch of the agricultural industry in which a very large proportion of the inhabitants of the Province, European and Asiatic, are interested. The production and sale of paddy are all parts of one large industry, which may be likened to a huge machine of which the rice millers, the bankers, and the cultivators form component parts, all alike contributing to their mutual prosperity and to the prosperity of the province, and all working to the same end—the production of rice for the export market—the object of all alike being to produce rice more cheaply and to supply the market with rice of a better quality than before, and thus to strengthen its position in the world's market. This Conference will afford an opportunity for an interchange of views between the different branches of the industry, and will render it easier to see how their mutual requirements can best be met, and how their mutual interests can best be furthered. The Conference which owes its inception to the energy and enthusiasm of Mr. English, the Registrar of Co-operative Credit Societies, of Mr. Mackenna, the Director of Agriculture and of Mr. Clayton who is at present acting for Mr. Mackenna, deals with two objects the importance of which to the Province can hardly be exaggerated, agriculture and credit. Agriculture is by far the most important

industry in the Province. Our timber industry and our oil industry are by no means small, and during the past few years much has been accomplished in the direction of investigating and exploiting the mineral resources of the Province ; but agriculture which employs nearly 80 per cent. of the population, the produce of which forms over 80 per cent. of our exports and which is the most important factor in the revenue of the country, must always remain the paramount industry of the Province. This fact Government fully recognises and it is its settled policy to do all in its power to assist in the improvement and development of agriculture. It is with this object in view that Government has organised the Agricultural Department, has imported trained agriculturists and scientists with a view to improve the quality of the staples already grown, to introduce new staples, and to enquire into the causes of such destructive agencies as cattle disease, rust and insect pests which cause annually loss of so many lakhs to the Province. But the hope of improvement of agriculture is to a great extent bound up with the prosperity of agriculture, for unless the industry is prosperous there is little hope that the necessary capital and energy will be forthcoming to take advantage of the improvements which the Agricultural Dapartment may be able to suggest. The prosperity of agriculture is bound up with the prosperity of the cultivator, and the prosperity of the cultivator depends on the organisation of a sound system of credit. All the world over it is found that the agriculturist is dependent on borrowed capital for carrying on his business, and the Burman agriculturist is no exception to the rule. I do not agree with the picture so frequently drawn of the Burman as thriftless and extravagant, nor do I regard the Chetty, by whom hitherto the bulk of the financing of the agriculturist has been carried out, as the grasping extortionist which he is often held to be. The Burman cultivator is perhaps not so thrifty as he might be, but the same might be said of most of his class in all parts of the world. The Chetty has served a very useful purpose in financing cultivation, and the large expansion of cultivation in Lower Burma during recent years has been largely due to the capital which he has provided. But in order to cover losses he has had, in dealing with individual cultivators, to demand a rate of interest not perhaps in most cases unduly high, having regard to all circumstances, but a

rate which the cultivator if he met with misfortune, due to failure of crops or to loss of capital, often found difficulty in meeting. Thus in many cases a cultivator has been liable to get more and more deeply involved in debt. It is therefore a matter of extreme importance to the cultivator and to the general prosperity of agriculture to devise some means by which he will be able to obtain the capital which he requires at a lesser price. And this means it is hoped to provide by the co-operative system. The credit of an individual cultivator is weak, but the joint credit of several cultivators, mutually responsible for the amount of capital loaned to them, is far stronger than the total amount of their individual credits and this is the true meaning of co-operative credit. It is the old fable of the bundle of sticks—each individual stick could be easily broken but the faggot made up of the bundle of sticks resisted all efforts to bend it. By joining together and using their joint credit cultivators are able to borrow at far lower rates of interest, while at the same time the risk of loss to the lender is reduced to a minimum. The successful application of this principle has revolutionised the condition of the peasantry in Italy, Germany and other European Countries, and there is no reason why in course of time it should not have the same effect in Burma.

Do not imagine, gentlemen, that in giving my whole-hearted support to co-operation, I am contemplating the elimination of the Chetty as a banker. The co-operative credit movement, which is only starting in the race, has a long way yet to travel before it will even appreciably affect the banking business of the chetty. If I may venture to look into the vista of futurity and picture in my mind a time, probably generations distant, when co-operative credit will be the most potent factor in supplying the wants of agriculture throughout Burma, I do not see in that picture the elimination of the Chetty, but his establishment as a banker in a sounder and less speculative line of business, with less risk of bad debts, and consequently, lower rates of interest. Co-operative Credit in European Countries has done no injury to bankers, but quite the reverse and let co-operation expand as it may, there is no reason why it should oust the Chetty in Burma. On the contrary, I should expect to see the Chetty banker adapt his methods to new conditions and flourish *pari passu* with the march of co-operation. I hope that this may be

the result, for Burma in the past owes much to the Chetty, and ha need for his services in the future. As this is a subject which o late years has given occasion for some anxiety, I desire to take this opportunity of stating that I am opposed to any agricultural policy which would divert the capital of the Chetty from this province.

Turning now to the objects of the conference, th first object is that people who are interested in agriculture and in co-operation may learn what has so far been accomplished and the lines on which the work of the two departments is proceeding. The second object is to excite general interest in the work of the departments and thus to extend the sphere of their operations. The third object is to educate the members of the Conference in the principles of co-operation and scientific agriculture and to afford them an opportunity of comparing notes and discussing the various problems which have arisen, and, if possible, of finding solutions for them. As to what has been accomplished already, Mr. Clayton, the Director of Agriculture and Mr. English, Registrar of Co-operative Credit Societies, will today give you an account of what has so far been done in their respective departments and I need not anticipate what they will say, while the visit to the farm which forms a part of tomorrow's programme will enable those who so desire, to see the Agricultural Department actually at work. As regards the Department of Agriculture I need only mention that we have at present two trained Agriculturists and an agricultural chemist, who form the European staff, and in addition an Entomological Assistant and an Assistant Botanist. We have a farm in Mandalay to provide practical instruction and to demonstrate the results of experiments, and we are about to start another farm at Hmawbi in Lower Burma which will be mainly devoted to experiments in connection with paddy cultivation. The Department has been constituted for only four years, the financial conditions have not admitted of much expenditure on it, and in so short a time and under these unfavourable circumstances, much can hardly be hoped for in the way of practical results. But considerable progress has been made in the conduct of various enquiries, and the results already obtained give promise of the valuable assistance which the Department will be able to afford to agriculture.

As regards co-operation, although the movement was only started a little more than six years ago, we have already 503 societies with a membership of 14,000 and a capital of over 22 lakhs, of which less than Rs. 20,000 has been provided by Government. There are also 24 unions comprising 293 societies, which, in addition to their functions as propagandists and guaranteeing organisations, afford very material assistance in the supervision of the societies belonging to them, while the establishment last year of the Mandalay Central Bank which has been organised for the purpose of providing funds for the societies, forms a further important step in the development of the system. And here I should like to express my thanks for the valuable work which under the able guidance of Mr. English has been done by several honorary organisers who have gratuitously lent their aid in spreading the movement.

Turning now to the programme of the Conference, in addition to the papers which will be read by Mr. Clayton and by Mr. English describing the operations of their departments, Mr. Menzies has kindly consented to read a paper from the point of view of the rice miller. Some brief papers will be read by some of the leading Burman Co-operators dealing with general points in connection with co-operation. As there is a large number of subjects to be discussed, it is proposed to form sub-committees which will meet during the next two days to deal with the various subjects mentioned in the programme. Of these sub-committees, some will hold their proceedings in English, and others in Burmese. All sub-committees will be held with open doors, and though discussion at the sub-committees will be limited to the actual members appointed for the committee, any member of the Conference will be at liberty to attend and listen to the discussions. The reports of the sub-committees embodying the conclusions at which they have arrived will be received at the general meeting which will be held on Friday morning.

Of the various subjects proposed for discussion I may mention especially the questions of the direct selling by societies of cultivators of paddy to the mill. The Committee will afford an opportunity for the representatives of the rice millers, the transport companies and the cultivators to discuss a subject which largely affects their mutual interests. Another question of importance

which will be discussed is the question of cattle insurance. As you are all aware, the annual loss of cattle due to disease is enormous and the loss of his cattle frequently means ruin to the cultivator, and if by a system of mutual insurance the effect of this loss can be minimised, the benefit to the cultivator will be enormous. There is another and still more important aspect of the question. Much of the loss by disease is preventible, that is to say, if at the first outbreak of the disease the animals affected could be isolated, the disease could be prevented from spreading and the loss reduced to a minimum. The Civil Veterinary Department does what it can, but its numbers are necessarily few and they have little support from public opinion. But if associations of cultivators can be formed in the villages who are mutually interested in stamping out any disease which may break out among their cattle, the force of public opinion will do much to secure the enforcement of restrictive measures. I am confident that the discussion of these and other subjects will yield useful results and that the reports which will be submitted by the sub-committees will form a basis for practical action in the future. I will now call on Mr. English to read his paper on the development of Co-operative Credit Societies in Burma.

Speech of Mr. English I.C.S., Registrar of Co-operative Credit Societies, Burma.

Mr. English's address was as follows:—

The Co-operative Credit Societies Act was passed in 1904 amd the formation and registration of Societies under the Act began in Burma at the beginning of 1905. The movement has therefore been developing in Burma for six and a half years only. The Government staff consists of the Registrar, myself, of the Joint Registrar who is also Director of Agriculture and of five Assistant Registrars. The Joint Registrar controls the work in the districts along the Railway line between Kyaukse and Rangoon and Rangoon and Prome, and the Registrar's sphere is the remaining districts of the Province.

The first three or four years were largely spent by the Co-operative Credit Societies Staff in learning the local conditions and in

making experiments. The work of the Government Staff is of two kinds, firstly to point out the Co-operative road, to explain what has been done in other countries, and to suggest similar action here; and secondly, when Societies have been formed as a result of such guidance and advice, to supervise them and see that they proceed on the true Co-operative path. Incidentally the Registrars introduce Societies direct to the sources whence money flows and thereby eliminate the numerous middlemen. The result of this is that the money required as loans by cultivators passes direct from the source to the society and so to the cultivator and that the society gets the funds it wants for its members at 9 per cent. a year instead of at anything from 24 to 60 per cent.

There is nothing abstruse or difficult about the Co-operative system; it merely enables individuals, by combining together and so strengthening their position, to deal in a large way with large merchants and bankers. It eliminates unnecessary middlemen. The matters in which such combination is effective are many. Men can combine to borrow funds cheaply in a Co-operative Credit Society; they can combine to sell agricultural produce in bulk to the mills; they can combine to buy food, cattle, machinery, or seed direct from wholesale sellers; or they can combine to insure their cattle in strong and safe insurance companies. The system is simple, but it is not so simple to apply it to a new country. Various methods have before this been tried in many countries by Governments to better the position of the cultivators and artisans. They have mostly failed as they were too much in the nature of boons. The reason why Co-operation succeeds wherever it is established in a sound way, that is, wherever real and not sham Co-operation is established, is simply that it brings no boon from Government or philanthropists but means that the Co-operators help themselves. They manage and develop and therefore value their Society. It is their own. They do not lose self-respect by depending on the strength of others. Co-operation inculcates self-help, self-reliance, care in expenditure, thrift, and foresight. It is essential therefore that the Co-operation introduced into Burma should be the true and real Co-operation and no sham; and this means that we must not unduly push it. We must evolve the best types of Societies to suit Burmese conditions, and that takes time.

By a more active propaganda and less careful enquiry into applications we might easily have been able to show after these six and a half years 1,000 instead of 500 Societies. But I do not think they would have been sound Societies or as nearly co-operative as the few that have been established. Sound Societies grow of themselves from a sound nucleus and such natural growth is undoubtedly the best. Again, Government might have greatly increased the staff and so have largely increased the rate of growth. But such action in the past might possibly have jeopardised the development of the union or federation organisation on which we rely to establish a sound system of control or rather of self-control. It may perhaps be necessary and justifiable in the future, the Union system once established—to adopt a more active propaganda, in order to ensure that all parts of the country shall have an equal chance and that the Co-operative system—the only approved system of financing the cultivator—shall be effectively established.

Such Unions, 23 of them, including 233 Credit Societies, have been formed and several of them have already shown that they can relieve the Registrar of much of his control work. The 8 Unions in Shwebo District employ and pay an Inspector to inspect their 150 Societies. The Inspector gets Rs. 50 a month. The Pakokku Unions are also about to appoint such an Inspector. The Tantabin Union in particular has excellent results to show and U Ko, the Chairman of that Union, will shortly address the meeting and show what has been accomplished.

I would reiterate then that Co-operation means mutual self-help and not dependence on Government or philanthropists. It promotes self-reliance, business capacity, thrift, and foresight. Societies are not government concerns but belong to the members, and it rests with the members to make them succeed.

There are various types of Societies. The type that suits a town does not suit an agricultural village. The type that suits a Society of salary-earners does not suit a Society of traders. Again the type that suits the cultivators in tracts where rain is uncertain, crops precarious and the people poor, does not suit tracts like the Delta where the conditions are just the opposite.

On the 30th June 1911 there where 506 Societies. Of these two are the Central Banks of Mandalay and Pakokku. Thirty are Urban or Town Societies of which 20 are societies of traders and 10 societies of salary-earners. There are 23 unions and lastly there are 445 village societies of cultivators and 6 societies for the Mutual Insurance of Plough Cattle against death by accident or disease. Societies are again divided into societies with Limited and societies with Unlimited liability. All the village societies and some of the Urban banks have Unlimited liability. Rural Societies are further of two kinds. Those in the poorer and more precarious parts of the country follow the Raiffeisen system, which means that there are only nominal shares paid up on admission, that no profits are ever divided but all go to the reserve fund which is applied to some local work if and when the society is dissolved. Societies in the richer tracts are mostly of the Luzzatti type which requires yearly subscriptions of Rs. 10 to Rs. 100 a share and after eleven years permits the payment of a dividend and, on dissolution allows the division of the Reserve Fund among the members. There are societies in twenty districts. Shewbo heads the list with 164. Mandalay follows with 67. Then comes Yamethin with 61, Pakokku with 49 and Kyaukse with 35. Lower Burma lags behind; there is less cohesion in the villages and more mutual distrust. Maubin has 16 and Myaungmya and Bassein have 15 each.

The cattle insurance societies are still young, but I believe there is a great future for such societies and they will, besides paying indemnities for plough cattle lost by death, create that public opinion in favour of sanitary measures to protect cattle from disease, without which no amount of rules and regulations will ever be effective. They are bound to be in Mandalay, Sangaing and Shwebo Districts.

There is a demand for societies for collecting members' paddy and selling direct to the mills, and also for co-operative stores to buy household requirements direct from Mandalay and Rangoon and provide better and cheaper articles to members. Caution is necessary here in introducing such societies and both Direct Sale Societies and Co-operative Stores are accordingly subjects for discussion by sub-committes at this Conference.

The chief feature of the past year has been the establishment

of the Upper Burma Central Co-operative Bank in Mandalay. Its objects are to collect funds wherewith to finance Co-operative Credit Societies and to provide a safe place where affiliated Societies may deposit their surplus cash. Such deposits will be used to meet the requirements of Societies that have not enough funds. It has a share capital of one lakh in Rs. 100 shares. Five hundred shares have been taken up by individuals and 326 shares out of 500 allotted to Co-operative Credit Societies have already been taken up by 326 Societies. Future issues of shares will, if possible, be reserved for societies so that those who borrow from the bank and create its profits, *i.e.*, societies, may obtain those profits as share-holders. It has raised from share subscription nearly half a lakh and from Deposits and Savings Bank deposits some six lakhs at an average rate of about 6¾ per cent. Practically all of this has been lent to shareholding societies at 9 per cent It provides an excellent opportunity for wealthy well-wishers to prove their solicitude for the welfare of the cultivator by depositing hard cash to be lent for productive purposes under full safeguards against extravagance. Two Joint Stock Banks, the National Bank of India, Mandalay and Bank of Rangoon have given it cordial assistance both in advice and funds. On the 1st June the Central Bank opened a Savings Bank branch. It allows 5 per cent and expects to attract savings from the small men, artisans, salary earners and such like in Mandalay and from Government servants and others in Upper Burma. There are already 46 accounts amounting to a total of Rs. 3,247 in deposits. The Central Bank has a strong Committee composed of prominent Burmans of Mandalay, and I hope they will, in the interest of Burma and also in their own interests strive to promote sound co-operation generally, and in particular to foster the Savings Bank branch in Mandalay. Petty savings are worth having. They lie well and are not liable to frequent drawings. The amounts they total in countries like Italy, Austria and Germany will almost stagger belief. But they must be asked for and asked for at the right time, when people get their pay or payment for work done. Savings do not merely help the bank and societies that borrow from the bank, but they engender thrift and foresight in the saver and generally promote happiness. I would therefore ask all present to bear in mind that there are two sides to the

Co-operative system, I mean thrift and saving as well as good and cheap credit facilities. The man who won't save when he can should certainly not be trusted with other people's money in the shape of borrowings, and I would ask all members of this Conference to do their utmost to inculcate the savings habit and promote savings. Savings put into the Upper Burma Central Bank fructify in Upper Burma under the eyes of the savers.

The Amount of State loans to Societies is now but Rs. 19,824 or less than 1 per cent of the total capital of the 506 Societies. The total capital of these societies amounts to some 20 lakhs of which some 2½ lakhs is share capital. Some 5 lakhs come from the general public in deposits, some 4½ lakhs from the two Joint Stock Banks and some 7 lakhs is lent by the two Central Banks. The accumulated excess of assets over liabilities accruing from the profits of working by societies in the last five and a half years, otherwise called their Reserve Funds, amounts to 1 lakh. In future societies should strengthen their position by investing some at any rate of this outside their society in the Central Bank.

The total number of members is now some 12,500 and this means that the actual borrowing members of societies hold in loans an average of Rs. 110 per head. Of the money lent to Cultivators' Societies about one-third is for 'annual expenses' and such loans should rightly be repaid at harvest. About two-thirds is lent for liquidation of prior debt, land redemption, land purchase or cattle purchase. Such loans can only be repaid out of profits and so by instalments over a longer or shorter course of years. It will be necessary in the future to differentiate these two classes of loans more clearly, so as to ensure punctual repayment of so much of a loan as is taken for "annual expenses." Though the accounting and management of Societies are improving, societies have yet much to learn in this respect. The commonest errors are, signing "for" instead of "by" on loan agreements and elsewhere: sketchiness of minutes; and failure to file with the society, old pro-notes or bonds or receipts as evidence of the liquidation of prior debts. It will perhaps be possible in the future to teach the elements of accounts in vernacular schools. Unemployed balances are kept small and expenditure on management by societies is only some 12 annas per

cent of the loans made. Though accounts and management still savour of the "rough and ready," I am glad to say that, thanks to frequent catechising and explanation by the Co-operative Credit Societies staff, there has been a decided improvement in the understanding of co-operative principles and aims among the members.

Solid results are that a large amount of land has been redeemed and purchased : members have largely increased their stock of cattle: much prior debt at onerous rates at 3, 4, 5 and even 6 per cent per month has been paid off or rather transferred to Societies and in many cases the society has arranged a big reduction for a cash settlement. By the granting of loans for annual expenses, much very onerous *sabape* borrowing at high rates on the crop has been avoided. Dispute and litigation have been conspicuous by their almost complete absence. If co-operation did nothing else, it would deserve well of co-operators for keeping them from disputes and expensive indulgence in litigation. Such litigation as there is tends to be objections by societies to the attachement by an outside creditor of cattle or crops over which the society has a lien. As there was doubt as to the procedure which a society should adopt in such a case I have issued a circular to all societies explaining what steps they should take.

A "Hand-hook of Co-operation in Burma" is in the press and should shortly be issued. It contains in one cover the Act, rules and model by-laws and the various leaflets and other information likely to be of use to persons interested in promoting co-operation. I would say one word of thanks to the editors of *the Rangoon Gazette* and *Star of Burma*, which papers have published articles on co-operation which have had no small share in exciting interest in the movement, and to those who as honorary organisers, both official and non-official, have given time and trouble to helping on the movement. His Honour the Lieutenant Governor has pointed out in his speech the importance of this, the first Conference, not only of co-operators from many parts of Burma, but also of representatives of the cultivators who grow the crops, of the transport companies who convey them to the big towns, and of the merchants who export them. I would emphasise the necessity for efficiency all along the line. At present much energy is dissipated in individual dealing. Our watchword must be, in the words of President Roosevelt, *Better*

business, that is, Co-operative methods, *Better farming* which can be evolved by hearty support and use of the Agricultural Department, and thereafter *Better living* which means more money to spend on domestic and social comforts and a raised standard of living. This is the way of prosperity particularly for an agricultural country such as Burma. I hope all members of the Conference will compare notes together not only at business meetings but on every opportunity they have during these four days. Thus U Myo of Indaw Union in Shwebo District can describe his paddy deposit system—an excellent one. Other Union Chairmen can explain the uses of federation. Tadaingshe can show how they have wiped off debts, and Mondaw can show how by Co-operation they have, while bringing new land under cultivation under the Mandalay Canal, avoided onerous debt altogether. U Hlaing and Saya Pan of Myothit can tell you how some one-third of the prior debts was knocked off by creditors in the Thawatti Union near Ye-u for cash settlement arranged by the Union Committee.

You will hear from U Pe On of Amarapura how Co-operation has changed the circumstances of the silk weavers, and others can tell you the extra profit obtained by combining to sell potatoes at Shangalegyum, how the Kyaukse Clerks' Society has managed to save Rs. 3,000 and invest it in the Central Bank, and how large quantities of local deposits have been obtained as at Toungoo and Ma-ubin. You can also hear, if you will ask, how Cattle Insurance Societies are started and worked. These and many other useful points can be explained by members of the Conference, but to get such explanations and give mutual information, it is essential that all members should feel at home with each other and, without shyness or aloofness, freely enter into discussion. At future Conferences members will know each other better and so there will be less tendency to stiffness. I need not say that the Director of Agriculture and myself and our officers will do all we can to bring the members of the Conference together, to banish stiffness, and to furnish information as to the course of the proceedings and on any other matters on which information is desired.

There are six sub-committees. Discussion in four of them, will be in English, but notes in English and Burmese have been prepared and distributed, which state fully the subjects for discussion.

The Financial Commissioner will shortly appoint the members of these sub-committees. Sub-Committees must be small but they will hold their discussion with open doors so that any member of the conference can enter and listen to the discussion. Two of the sub-committees, those which deal with Co-operative subjects particularly, will be held in Burmese so that all can follow the discussion. In conclusion, I would thank the members of the Conference for coming, in many cases I know at inconvenience to themselves, to assist in discussing the development of the economic and practical sides of agriculture. I would also tender on behalf of the members our respectful thanks to His Honour the Lieutenant Governor for opening and to the Financial Commissioner, for presiding at this Conference.

The First Ramnad District Co-operative Conference held at Vadamalaipuram on 20th and 21st January 1912.

Translation of the Tamil Presidential Address of Rao Bahadur G. Srinivasa Rao B.A.

GENTLEMEN,—My address is intended more for you, the people at large, than the educated audience on the platform. There are some things which government can do for us and others that we must do for ourselves. Our thanks are due to the distinguished veteran who gave us in India the impetus to start such societies. We learn from the ancient History of India that the panchayat system then existed in all the villages. They also had a common fund set apart for communal purposes. The Co-operative system is but a revival of this ancient state of things. One sign that we are improving is that within a short time as many as 34 societies have been started in this district. The very name of the movement implies that we should all unite. It is gratifying to note that in this assembly you have the representatives of 24 out of 34 Ramnad societies.

Under the old Panchayat system each village looked after its sanitation, education and all other conveniences. The Government do not object to our looking after our own concerns. It is certainly more satisfactory to them, and pleasing to us, when we are able to work out our own salvation than when our concerns are looked after, for us, by Government. How satisfactory would it be for you if your disputes were settled among yourselves by a panchayat chosen without expense and trouble. My joy knows no bounds when I see before me all of you assembled here as the representatives of

so many societies and distinguished officials of the Government come here to instruct you how to work for your own welfare. You have known how chits are started and how when the chit amount is demanded, payment is being delayed because the organisers are not ready with the money. Such a thing is not possible in the case of the Co-operative movement. It was very gratifying to me to hear from one of my friends this morning at Uslampatti, the former abode of Kallars and now a centre of Co-operative Societies, that they were made to feel their responsibility in the matter of keeping accounts even for the very small amounts which they spend.

You will observe the very sympathetic attitude taken by the Government. Stamps, registration and encumbrance certificates cost nothing to Co-operative Societies. The Central Bank in Madras has lent Rs. 12,000 to the Vadamalaipuram Rural Society and this sum was lent to you free of stamp and registration fees. This money is loaned to you at 10 annas for every Rs. 100 per mensem and lent out by you at 12 annas per cent. As time goes on, these rates will be reduced. We have, in Madura, the Hindu Permanent Fund, of which I have the honor to be the President and which has lent Rs. 70,000 at 6¼ per cent, to Co-operative Societies, which, in turn lend out the money again at 9 per cent. There is also at Trichinopoly a Central Bank, whose Secretary, Rao Bahadur Y. Narayana Rau, is present here to day, which lends to Co-operative Societies. I think central banks should be started in the several district centres to enable the latter to lend money to Co-operative Societies in the district.

Fifteen years ago, when the Nidhi at Madura was started, it was the only institution of its kind and grave misgivings were expressed as to its eventual success. Now, that fund owns a spacious building and has a large capital which is of immediate use to the people. Side by side with it, we have the Co-operative Urban Bank and Stores, the Indian Bank and the Madras Bank. There is, thus, a large scope for the expansion of the Co-operative movement without let or hindrance to existing institutions. Nothing is impossible of achievement under the movement.

I saw in Scotland with my own eyes spacious buildings owned by Co-operative Societies where they make boots, soaps, flour and all sorts of things. Thousands of people—men and women—work there every day from 9 A. M. till evening, and their tiffin is provided on the premises for them. If only we unite together and make the same movement a success in India, we shall be able to find employment for all men and women and we shall not hear of people going to Rangoon, Ceylon and other places to earn their living. Already, in the space of two years, you are able to witness so much improvement as the result of the movement and we may well imagine how much it will amount to in the long run.

By the Co-operative movement you could sink wells. There are instruments by means of which tube wells are sunk. Several of you have been in Madura and know the pipe system introduced there. But in several cases, where application is made for pipes being introduced into houses, the permission is refused. By means of the instruments above referred to, tube wells for houses have been sunk at a cost of about Rs. 150. It is not of course possible to use such wells for cultivation. To facilitate cultivation, some of you can join and buy oil engines which cost about Rs. 2000 each. You can purchase agricultural implements and manure on the co-operative system. Agricultural associations are doing something in this particular direction. But rural societies also can do so.

You can also produce things and sell them at advantage. The demand for good ghee is very keen. What a bright prospect lies before owners of cows and buffaloes if they would arrange to produce ghee cheap on co-operative lines and sell the same, at great profit, in towns where there is demand for the same. We are a very conservative people, by nature and habit and pretend that we are not likely to change our old habits of thought. By means of this movement, however, we may train ourselves to adopt improved methods of agriculture and machinery. At the root of all improvement lies education. By means of the Co-operative movement we can start schools, setting apart a portion of the profits of Co-operative Societies for the same, in as much as neither the Government nor the officials, under whose guidance and control such societies are started and carried on, will have any objection to this course. In one of the Co-operative Society meetings which I attended while in England, it was gratifying to find people who had come from distant places. This was because the people there are educated. From the cabman to the working woman in England you will not find a man or woman not coversant with the topics of the day. Finally our thanks are due to our benign Government and the responsible officers in charge of the movement who have been taking so much interest, for our improvement, on our behalf.

Progress of Co-operation—the next step.

Paper sent by Mr. T. Adinarayana Chettiar Avl., to the Madura Ramnad Conference.

The new Bill has, as its main object, the adaptation of co-operation for other purposes besides credit: such as Agriculture and Industry. This object ..., in a country of illiterate ryots like ours, be achieved only by strenuous

propaganda work on the part of the leaders of the people. Let us see whether there is at present any efficient agency for taking up this work. I fear, not. Even in Western countries far advanced in civilization, even popular measures have to be vigourously pushed up through the agency of meetings, articles in newspapers, conferences and congresses, patiently for months and years. If such is the case in European countries, what an amount of strenuous work would be needed in a country like ours? And yet, we have no organization whatever. In place of a well-organized propagandist agency we can boast of nothing beyond an occasional article in the newspaper or a stray speech from some corner of the presidency. Except for the presidential addresses at the district conferences held recently at Chingleput, Salem, etc., we have not been able to induce our first-rate men to take up the cause. For example, although the Bill to amend the co-operative Act came out as long ago as February 1911 and in spite of the fact that the Bill contemplated radical changes, except for a short paragraph in the 'leader' page of the "Hindu," I think no one has thought it worth his while to speak or write about the Bill. I fear I can (therefore) safely assert that there is, at present, no non-official (co-operative) public opinion in the Presidency either to carry on propaganda work or even to offer useful constructive criticism. Even the few enthusiastic workers we have got are not able to do much at present for want of any intimate touch between themselves.

If you agree with me that this serious defect—a defect which is almost a slur upon the intelligence and public spirit of our presidency must be removed, I would request the attention of this conference to suggest the proper remedy. But as my humble contribution I venture to place before the conference a few suggestions for favour of consideration by the many workers who are present at the conference.

A Presidency Co-operative Conference on the lines of the one held last year in Bombay under the presidency of H. E. Sir George Clarke may advantageously meet at Madras at which will be present the leading co-operators from all parts of the presidency. It will serve to bring together all the workers. Our popular Governor whose interest in anything that affects the agricultural ryot is so well known will doubtless feel it a pleasure to preside and guide its deliberations.

Before the Provincial Conference breaks up, it must appoint a representative Committee. This, I consider, would be the most valuable part of the work which the conference is expected to turn out. The committee will be expected to carry on work steadily through the year. On it should be represented the Registrar and, say, two other nominees of Government. The rest of the members should be delegates nominated by the societies.

It would be best to have on the committee also the past Registrars so as to conserve their accumulated experience. Work has increased so much that it is impossible for a single Registrar to guide the movement.

Nor can a Registrar, however gifted he be, hope to grasp all the intricacies of non-credit co-operation. The committee will be expert and guide the movement in all its aspects. It will be the best adviser of Government on the one side. On the other side it will interpret Government attitude and European models to our public here. At present conferences are held sporadically in districts and the reports are not properly published. The committee can have a programme of conferences and see that they do not overlap each other while the individual societies are duly instructed. The Madras "Bulletin of Co-operation" is official and appears only quarterly, nor is it punctual at that. It should become at least a monthly and made more interesting by being shorn of its official flavour. The committee should undertake to publish the "Bulletin". It can organize a system of private audit against the time when Government assistance will be withdrawn. It can even run a co-operative class for training Inspectors, Supervisors and Examiners. The expenses need not be heavy; only the Secretary may be given some honorarium and actual travelling expenses. It will be essentially a propagandist association working with Government and to supplement and eventually to supplant the Registrar. Every European country has an association of this nature. The best known is Sir Horace Plunkett's Irish Agricultural Organization Society. The committee should have a liberal grant from Government. The necessity for such associations is explained at length in Devine's "Popular Banks" and I think the time is now come to inaugurate such an association in this presidency. The time is now opportune as we have a Governor full of sympathy with the ryot, and we have an agricultural department struggling as yet ineffectively to reach the ryot; a Registrar who will welcome any attempt of this nature to popularise and guide the movement on national lines; and above all, a public anxious for co-operation and willing to be instructed but discontented with the present rate of progress, at present too slow to affect the millions concerned.

REVIEWS.

Co-operation in House Building.

Mr. K. Ramasamy Aiyar B.A., B.L., of Madura contributed the following interesting article to the South Indian Mail :—

The question of housing is one of primary importance to all classes of people living in towns. For if the house in which we live is not provided with sufficient shelter, ample breathing space, pure air and sunlight, our physical development, and our intellectual and moral growth become stunted. In a town like Madura where a large number of people are crowded together in small areas, in filthy houses surrounded by drains, the question requires immediate solution. This is just the opportunity for considering this question as we are daily under an apprehension that plague may, at any time, break into the city.

In some of the English towns, by-laws have been enacted limiting the number of houses on an acre of land to 51 and the number of people that can live in it to 255 *i. e.*, at the rate of 5 persons per house on an average. This will give an area of 354 sq. ft. to each house.—even this is considered a "disgraceful condition of overcrowding" by many co-operators. In Madura, an ordinary dwelling house of the poor people is from 100 sq. ft. to 225 sq. ft. and within this area we find from 10 to 15 people living. This gives an average of about 4300 persons in 1 acre of land. It has been computed that the death rate varies in different parts of the same town nearly in proportion to the density of the population. As overcrowding is one of the chief factors in producing a high death rate, it is our urgent duty, as citizens, to use our influence to limit this overcrowding which is going on at a rapid rate, by organising Co-operative Building Associations for providing their members with good dwelling houses so that "even the poorest householder may have sufficient space in and around his dwelling to get the full advantage of air and sunlight, two of the first essentials of life, so that we may produce full men and women, profit of the best kind. As remarked by Ruskin "There is no wealth but life."

How then are we to obtain healthy houses? In England, healthy dwellings are constructed by Co-operative Associations of which there are 3 forms.

(1) In the first type, the Societies lend large sums of money to individual members, for the erection or purchase of houses very much in the same way as an ordinary building society does.

(2) In the second type, the Associations build a large number of houses and sell them to members.

(3) In the third, the houses are built by the Association and let to the members of the societies who become their occupiers.

We have now to consider which of these will suit our requirements. I shall take up the 2nd type first.

We have to form ourselves into an Association and acquire land sufficient to erect not less than 200 dwelling houses, giving an average of 25 houses for an acre of land. We may therefore require at least 8 acres within 2 miles of the town.

Having secured the site, we have to parcel it into 200 plots, on each of which a house will be erected. The houses need not be of the same size or extent. They will be constructed according to the requirements of each member. A member may own a single plot or a number of plots according to his means.

It is always better to fix the maximum number of plots that can be assigned to a member. Say, a member may take 10 plots and not more than ten. Having assigned the plots to the members according to their requirements, the Society may require, from them plans and detailed description of the houses that they desire to have erected in the sites allotted to them. It is better to have a uniform type though the houses may vary in size, as this will add to their beauty when erected, and facilitate the process of building.

Having secured plans etc., from it members, the Society must prepare estimates according to the market prices of building materials and collect from the member at least one-fifth of the cost in advance ; the remainder may be paid in easy instalments according to the convenience of the members.

When the whole cost is paid, the Society will convey the house to the member free of all encumbrances. Till then, it will remain the property of the Society. The Society will pay interest on the amount subscribed by the member at a particular rate and charge rent for occupation according to a scale that may be fixed by the committee. In case a member wishes to leave the town, he can transfer his share or withdraw from the Society. This is a convenient arrangement for people whose stay in the town is temporary.

After having secured the one-fifth of the amount required for construction, the Society may raise more sums that may be needed either by way of deposits from its members or by obtaining loans charging the sites and houses as security.

The Society will secure all building materials as much as possible from their places of production and thus save large sums of money which under the present circumstances every houseowner allows to be pocketed by the numerous middlemen, such as timber merchant, kiln broker, building contractors and so on.

If the Society secures materials on a large scale, their cost will be greatly minimised and the cost of each house will be proportionately much lower than what it will be if the member erects it himself.

I shall deal with the other types of building Societies in my next article.

The following appears in the Review of Reviews—Jannary, 1912.

What the Credit Foncier is.

MR. BAILEY SAYS :—

"The French nation in 1858, chartered the Crédit Foncier or mortgage bank. The bank has loaned over one million dollars, and now has outstanding mortgages amounting to 456,000,000 dollors. If any working man purchased a home in France, even in the smallest city, they could have borrowed their money from the Crédit Foncier at 4% interest per annum, giving a mortgage which would run for a long term and which never would have to be called in. In addition to interest they would have been compelled to pay an additional per cent per annum which would have been applied on account of the principal. This additional per cent varies with the earning capacity of the borrower, and must be at least one half per cent per annum. If they had paid 6%, 2% p. a., would have been credited to the principal each year and the interest charge would have been reduced correspondingly. This plan removes any fear of losing the home every three years, and gives the borrower a feeling of security otherwise impossible.

As a further aid to the borrower, in cases of sickness or loss of employment, or bad crops, for one year the only payment required is the flat interest and after making full payments for five years, no foreclosure can occur until six months after default. The borrower has a chance even in adversities and many a man has been enabled to save his home because of these favourable conditions.

What it has done for France.

This Crédit Foncier, in its years of service to the French nation, has taught the people that the small annual saving toward the principal will, in the end, pay the entire debt and that home-ownership in France is safe. It has also made the rate of interest on mortgages in every part of France uniform, in that the little farmer and resident of the city pay the same rate. On the one hand it tempts thrift, in that at any time payments may be made in anticipation of future dues, thereby insuring against sickness, and on the other it forces thrift in that annual payments on account of principal must be paid.

By the adoption of a general mortgage bank, first, the initial expense of borrowing would be decreased, and there could be no charge for the renewal of the mortgage every three or five years. Second, the rate of interest would be reduced and become more nearly uniform through the country. Third, the borrower would be compelled to reduce his indebtedness by small annual payments which would promote thrift. Waste in charges, initial and renewal, waste in excessive rates of interest, waste in use of principal are now eating into the earnings of the workers. The remedy has been applied elsewhere and can be adapted to every State.

NOTES AND NEWS.

—:(o):—

The King's letter to the Royal Agricultural Society of England.

"My dear Fellows,—It is a matter of sincere gratification to me that the third occasion of my occupying the position of President of the Royal Agricultural Society should be when its visit is to the county of Norfolk, where I have for so many years made my home, and in the agricultural development of which I shall always take the keenest interest.

"I learn with much pleasure of the prosperous condition enjoyed by the Society to-day, and of its increased activity in all matters generally affecting the welfare of agriculture.

"Much of the good results upon which the Society can rightly congratulate itself is due to the untiring work and personal influence of our honorary director, Sir Gilbert Greenall.

"I am delighted to hear that there has been an addition of upwards of 200 members from the county of Norfolk, and I trust that this example may prove an incentive to other counties to increase their membership of this great society.

"I know that you and your colleagues are making every effort to secure the highest possible standard of excellence, both in exhibits and as regards the general arrangements of the show-yard at Norwich, and I feel certain that, given fine weather, we shall be able to record an eminently successful Show.

"I understand that many of the Ministers of Agriculture from my oversea Dominions have been invited to attend the show. I trust that, at all events, it may be possible for some of them to be present, and that they will derive both pleasure and experience from their inspection of the varied and comprehensive exhibits of live-stock, implements, and produce of this country which will be brought together in the show yard.

"I greatly appreciate your kindness in discharging the duties of President of the society on my behalf during this year.

Believe me, sincerely yours,

GEORGE R. I."

A member expelled for want of loyalty to his Society.

The Kalidindi rural credit society No. 582, reported that one of its members discouraged other members of the society by frightening them that they would have to bear any loss that may be incurred by the society. He offered to help them with the required funds and advised them to quit the Society. In its general body meeting the society expelled him and requested the Registrar to approve of their action. The Registrar did so.

A dispute among the Members of a Society settled without going to the Court.

A dispute arose among Alagiriswamy Naicken, Rangappa Naicken, Chinnaswami Naicken and Venkatarama Naicken, all members of the Vadamalaipuram Rural Credit Society, about the division of their property. They were prevailed upon not to go to court and their dispute was settled in the society itself. This action of the society is commendable and is well worthy of imitation in other places.

Coronation Celebration in Societies.

From the Report of M. R. Ry. K. Vijayaraghavachariar Avergal, M.A.,

Deputy Collector, Co-operative Credit Societies.

Special reports have been received from 131 societies, the remaining societies contenting themselves with simply submitting copies of their general body resolutions. All the societies in the section celebrated the occasion with joy and enthusiasm. The older and bigger societies so vied with each other in the manifestation of their gratitude and devotedness to the British Crown, that to attempt to make special mention of any of them might be doing an undeserved injustice to others. That every society has done to the best of its ability is beyond question. They convened a general gathering of the whole village and read the Proclamation in public. Some also fired 101 *adiyedis* as a salutation to the King Emperor George V and to the Queen Empress Mary. Portraits of their Majesties were piously placed on decorated pedestals and adorned with wreaths of flowers. Speeches on loyalty were made and inspiring songs by local poets were sung. Prayers were offered for the long life and prosperity of the Emperor. After this ceremony, some societies conducted processions at which all the people of the village were present. The processions were, in some cases, accompanied by fireworks. Prizes and presents were copiously distributed to school children. Many poor people were fed and given cloths.

3. The following societies have also arranged some fitting mementos of this glorious occasion which should not be passed unnoticed.

1. No. 6 The Vilattikulam Agricultural Bank planted 2 lantern posts in the Village.
2. „ 7 The Nidamangalam Agricultural Bank planted five cocoanut seedlings on the occasion.
3. „ 147 The Vadamalaipuram Rural Credit Society planted five banyan trees and 16 cocoanut trees.
4. „ 82 The Poundarikapuram Rural Credit Society arranged to erect a permanent building in the name of the King Emperor for the use of the society.
5. „ 183 The Nagayanallur Rural Credit Society planted a garden of fruit trees on the occasion.
6. „ 284 The Palayasiruvangur Rural Credit Society planted six lantern posts in the village.
7. „ 340 The Alangudy Mahanam Rural Credit Society arranged to build a coronation elementary school.
8. „ 388 The Varanajaram Rural Credit Society organised a primary school in a public building of the village.
9. „ 435 The Mareneri Rural Credit Society planted one lantern post, two banyan trees and has also organised a small school for the panchama class.
10. „ 414 The Virumandampalaiyam Rural Credit Society sunk a well and built a shed for the use of the villagers.

4. Many societies in addition to the money sanctioned to them, raised subscriptions in the village both from members and non-members to meet the expenses which in almost every case far exceeded the amount that could be legitimately spent from the society's funds.

Among such societies may be mentioned:—

1. Vadamalaipuram Rural Credit Society which he has collected			Rs. 95
2. Nayagaraipiriyal	do.	do.	„ 5
3. Sindupatty	do.	do.	„ 50
4. Ariyapatty	do.	do.	„ 40
5. Vijayamangalam	do.	do.	„ 48
6. Venkarai	do.	do.	„ 15
7. Karikali	do.	do.	„ 5½
8. Kanjikovil	do.	do.	„ 10
9. Torumalavady	do.	do.	„ 25

10. Paletteli	do.	do.	„ 2½
11. Porpadanjanellore	do.	do.	„ 27¾
12. Pudupalaiyam	do.	do.	„ 10
13. Subbiramaniyapuram	do.	do.	„ 23
14. Mungilpalayam	do.	do.	„ 48
15. Vadamugamkanganyampalaiyam		do.	„ 7½
16. Sirpanendal	do.	do.	„ 5
17. Irungalur	do.	do.	„ 19
18. Avadayapuram	do.	do.	„ 3

Sullipalayam, Palakarai and Tudupati societies have conjointly collected Rs. 75 for the celebration. All these societies conducted processions with the royal protraits and four societies, *viz.*, those at Varanajaram, Vilattikulam, Vadamalaipuram and Alangudi have mentioned in their reports that they fired 101 *adirvedis* as a salute to the Emperor.

An invariable crowning item in the celebration programme of all the societies was a fitting speech expatiating on the benefits of the Britith rule as well as on the benevolent intentions of Government in having promulgated the Co-operative Societies' Act.

Coronation honours to Co-operators.

For the list published in page 102 p. of the December issue of the Madras Bulletin of Co-operation substitute the following:—

Chingleput District.

M. R. Ry. C. Aruliah Naidu Garu, President of the Kilacheri Agricultural Bank and of the Kilacheri Co-operative Union.

M.R.Ry. Swamy Govinda Naidu Avl., President of the Erayamangalam Rural C. S.

M. R. Ry. P. Ramachandra Sastry Avl., Secretary of the Conjeeveram Weavers Union.

Salem District.

M. R. Ry. K. Seshagiri Rao Avl., Zamindar of Kambianallur, President of the Kambianallur Rural C. S.

Cuddapah District.

M. R. Ry. C. Seshachellam Aiyar Avl., Secretary of the Nandalur Agricultural Bank.

CORRESPONDENCE.

A Co-operator in the Legislative Council.

To

The Editor of the "Madras Bulletin of Co-operation."

SIR,

May I request you to publish the following few lines in the Madras Bulletin of Co-operation?

M R. Ry. Diwan Bahadur M. Adinarayaniah Garu, a distinguished co-operator of this Province, was recently nominated a member of the Legislative Council. He is the president of the Tirur Rural Credit Society, the very first Society registered in this presidency. He takes a warm interest in the progress of the movement, attends the meetings of his society and gives to the members of that association the advantage of his advice. He presided at the First District Co-operative Conference held in the Madras Presidency. I have no doubt that his presence in the council will be a tower of strength for the cause of co-operation.

Co-operator.

GLEANINGS.

Co-operation as a Subject of Study in European Universities.

Special Courses (Seminar) on Co-operation at the Frederic University, Halle Wittenberg.—Special courses on Co-operation were opened in the above University at the beginning of the summer half year, 1911. The following are the regulations as approved by the Prussian Education Department, together with the programme of examination and instruction for the summer half of 1911.

1. Regulation of the Special Courses on Co-operation at the University of Halle-Wittenberg.

1. The object of the Course (Seminar) on Co-operation is to provide scientific instruction for those who wish either to get theoretical and practical ideas upon co-operation or to devote themselves to the service of the co-operative societies as managers or employes.

2. With this object, readings and practical exercises are included in the courses. A library and reading room are provided.

3. Holiday readings will be arranged as required, and given in the lecture room.

4. Examinations may be held for students attending these courses and certificates given to such as satisfy the examiners.

5. The students who attend the courses are divided into ordinary and extraordinary students. The students, every half year, must, when called upon by the director of practical studies, either give a lecture or write an essay. They may not miss the practical study without a sufficient excuse. The extraordinary students may be present at the practical studies but they are not compulsory for them.

6. Matriculated students and students at the university are admitted as ordinary students, provided the Director of the Courses is satisfied that they have had the necessary preparation.

7. Both ordinary and extraordinary students pay an entrance fee of 5 marks per half year which gives them the right to use the library and reading room.

8. The administration and finance of these courses are entrusted to a Director appointed by the Minister of Education.

Programme of Instruction for the Summer Half year, 1911.

1. Principles of Common Law and Political Economy, Mondays and Wednesdays from 12 to 1 p. m. Dr. Behrig.

2. General Political Economy, Mondays, Tuesdays, Thursdays and Fridays, 11 to 12, Dr. Gebrig.

3. Political Economy, Mondays, Tuesdays, Thursdays and Fridays, from 10 to 11 a. m. Pro. Dr. Conrad.

4. The Economic Importance of Co-operation (Public Readings) Tuesdays 6 to 7 p. m. Prof. Dr. Conrad.

5. Right of Association, Prof. Dr. F. Loening.

6. Co-operation of artisans and small tradesman, Tuesdays from 11 to 1, Dr. Crüger, Legal Representative of the General Federation of the Independent German Co-operative societies.

7. Agricultural Co-operation with special regard to the Sale and Purchase Co-operative societies, Fridays from 6 to 7, Dr. Rabe, Chairman of the Chamber of Agriculture for the Province of Saxony.

8. Banking and Insurance Operations, with special regard to co-operative institutions, Wednesdays and Saturdays from 9 to 10, Prof. Dr. Broduitz.

9. Co-operative Distributive Societies, Mondays, from 3 to 4, Dr. Wolff.

10. Commercial Book keeping. Wednesdays from 5 to 7, Dr. Felber.

11. Principles of Commercial law.

Advantages of Co-operation.

[*From the Speech of Mr. U. Nyun of the Upper Burma Central Bank in the Burma Agricultural and Co-operative Conference, July 1911.*]

1. That Co-operation leads to mutual help and good will:

2. That it inculcates habits of saving and foresight:

3. That it brings us into touch with the Joint Stock Banking system of the country, a system Burmans are mostly ignorant of:

4. That it provides cheap credit under safeguards against extravagance.

5. That it gives debtors a chance of rehabilitation and of escape from debt.

6. That it provides for a Reserve fund which will hold the members together.

7. That it provides places where men may safely deposit spare money—the system reducing risk of loss to a minimum.

8. That the Central Bank provides Government servants with a convenient place for depositing savings.

9 That the Central Bank has opened a Savings Bank to suit those who have only small amounts to deposit.

10. That the Central Bank should provide a centre from which schemes for the economic good of our country may be devised and put into shape.

A Co-operative Bill.

The Bulgarian Government have brought before the Parliament (Sobranje) a bill for the formation of a co-operative bank to further the spread of co-operation as much as possible, and also to act as financial agent to the agricultural and artisan co-operative societies.—(*The Co-operative News*)

Dalmatia.

The sponge fishers in Dalmatia, who find their living by diving to the bottom of the Mediterranean for sponges, have recently formed a co-operative society for the purpose of selling their sponges direct to the wholesale houses.—(*The Co-operative News.*)

College for Co-operation.

The Prussian Minister of Education has established a special college for co-operation in the University of Halle, to educate in theoretical and practical co-operation by lectures and exercises. Students who have successfully visited the college for one year will be entitled to a certificate, on passing an examination.—(*The Co-operative News.*)

The Swiss co-operators have decided to start a boot and shoe factory. The board of the Union is investigating the matter and later a special congress of Swiss co-operators will be convoked to meet the charges for the same.—(*The Co-operative News*).

Circulars and Departmental Orders.

Circular dated 22nd November, 1911.

Undue delay in registering societies is caused by (1) want of complete reports (2) defects in the proposed by-laws and (3) non-submission of prescribed enclosures to organisation reports. Inspectors cannot plead ignorance of the information that should accompany their reports, in as much as the particulars required are detailed in circulars, current 387 of 1911, dated 30th October 1911 and R. O. C. 387 of 1911 dated 27th October 1911 and at page 65 of Volume II of the English edition of *the Madras Bulletin of Co-operation*. A sample copy of the form of property statement recently prescribed was also enclosed with the Circular R.O.C. 3870 of 1911 dated 27th October 1911. The necessary forms of application for registration and the statement showing name, father's name, age, profession, etc., of each applicant are furnished in English in the notification issued by the Local Government under the Co-operative Credit Societies Act.

2. The printed Copies of Vernacular skeleton by-laws, now available in the office and with the executive staff, are defective and require improvement. A sample copy with the necessary corrections noted thereon is herewith furnished to each Inspector and Section Deputy Collectors with sample copies of the approved type of by-laws for provident deposits, savings deposits and fixed deposits. Existing copies of model by-laws for rural societies should be corrected accordingly. Should any deviation from the form or language of these models be desired, clear reasons should be given.

3. Rural areas are generally unsuited for the adoption of savings deposits at the outset. The provisions set out in by-law 13 of the printed copy cover fixed deposits and no separate by-law on the subject is necessary. Provident deposits should however be insisted upon at the time when a rural society commences operation so as to enable it to raise its own funds and the enclosed

form for this class of deposits should be adopted. This system is generally preferable to the payment of share capital by instalments.

4. The general rule for the area of operations of a rural credit society should be "one society for each village." If however a single society for more than one village is desired, reasons for such a course should be given. Care must of course be taken that the villages grouped to form a single society are so close to each other that mutual knowledge among members is a reality. The language of every by-law should be clear and precise. When a society is to be located in a hamlet of a village, the first by-law should run thus.: "The address of the society is Kokkudi, hamlet of the Pundi village etc." In most cases Inspectors do not make any distinction between a village and a hamlet, but the distinction is absolutely indispensable. Again, if the area of operations includes a revenue village *and its hamlets*, the fact should be expressly stated in by-law 1. For the same reason the words "or hamlets" should be inserted after the word "village" in by-law 5. When the area of operations is to be confined to a single village, a corresponding correction should be made in the word "villages" in by-law 5 of the vernacular skeleton copy. Survey Numbers of villages should always be quoted.

5. Property statements should be in the form recently prescribed. No society will be registered unless a clear and accurate property statement accompanies the Organisation report. Should the initial loan required be less than the existing debts, reasons for not discharging the whole of the existing debt should be assigned.

6. The statement showing the name of the applicant, father's name, etc., should be written by the organising Inspector himself in a neat and legible hand, so that no difficulty may be experienced in the Registrar's Office in making out the entries therein. English translations of all enclosures should accompany the organisation report.

7. It is absolutely necessary that the Registrar should know the exact position of the village where a society is to be registered either (1) with reference to some existing important society or (2) with reference to the Railway Station or other important place

from which the village can be reached. The distance and direction from the existing society, Railway Station or other place of importance should be noted in the organisation report. If the Railway Station is far away, the route to the place should be given in detail, noting convenient halting places on the way, with particulars of available public accommodation.

8. Applications should be signed by at least 15 persons; the more the better. Inspectors are under the notion that the legal number 10 should not be exceeded. This is quite wrong.

Provident Fund Deposit.

Every member shall deposit a sum of one rupee per share per annum in the Co-operative year ending 30th June. He shall be at liberty to deposit more. On every rupee held continuously from the 1st of July in any year to the 30th June succeeding, an interest of one anna shall be paid in the month of September succeeding. If the sum is in arrear beyond the 30th June, the member shall pay two pies per rupee per mensem, and he shall not be permitted to exercise the privileges of a member until he pays his deposit with penalty. These deposits shall be known as Provident Fund Deposits. If a member ceases to be eligible for membership, the deposit will be repaid subject to the conditions laid down in by-law 9. If a member dies, it shall be paid to the estate subject to the conditions laid down in by-law 10. If a member withdraws, the deposit will be returned one year after withdrawal.

Circular dated 23rd January, 1912.

Over 550 societies have been registered. The direct supervision hitherto exercised by the Registrar will hereafter be impracticable in the case of a large number of societies, and for celerity and promptitude of work, it will be necessary to decentralise as far as possible the Registrar's powers and duties. Round Uttaramallur, Chingleput District, a good beginning has been made. About a dozen * societies have formed themselves into a Union wherein they are represented by delegates. A governing body elected by the delegates relieves the Registrar of most of his duties.

* This number has since risen to twenty.

It employs a paid supervisor who constantly inspects the affiliated societies and brings work up to date at every inspection. It has the power of sanctioning loans subject to the by-laws. The experiment has proved successful. Our next step forward in Co-operation must be to band societies into inspecting and administrative Unions.

2. To do so, the societies should be very near each other. The individual societies should have imbibed a good deal of Co-operative knowledge. The idea of delegated responsibility inducing watchfulness should be familiar to them. Competent and trustworthy men should be forthcoming in the area. Inspectors are directed to train men and to familiarise societies with the idea of grouping themselves into unions.

3. As a preliminary step to the formation of Unions the Registrar proposes the following procedure. Wherever three or more societies are clustered together, the societies may resolve to submit themselves to periodical inspection in addition to that of the Government inspector. The Secretary of any of the societies in the group or any member of any of the *panchayats* who is willing and competent may be nominated by the societies as an Examiner and the nomination should be approved of by the Registrar. The Examiner's duty will be to inspect the grouped societies at least once a month and backward societies more frequently. He will be allowed to draw a rupee per mensem from each society. The money must be drawn on the spot at inspection. He will submit a weekly diary to the Circle Inspector who will, in his turn, note in his own diary the receipt of such diaries and the results of the examiner's inspections. The Examiner will be liable to be removed by the Registrar or by the resolution of a majority of the grouped societies. The examiner shall obtain a monthly statement of receipts and disbursements, look after the overdue loans and pending orders and prepare the credit statement. The Examiner should be allowed to choose his societies. The Examiner's group should consist of not less than three and not more than ten societies. When a Union is formed, the best Examiner of the group comprised in the Union will have the chance of being selected for the Union Supervisor's post.

4. The Registrar is of opinion that this system of Examiners can be tried at once in portions of Anantapur, Chingleput, Walajah, Perundurai, Salem, Kallakurchi, Trichinoply, Usilampatti and Sattur areas. Circle Inspectors are directed to submit proposals for grouping of societies and appointment of Examiners with resolutions of the societies concerned as quickly as practicable.

Honorary Organisers.

The following was issued as a leaflet by Mr. A.E. English, I. C. S., Registrar of Co-operative C. Societies, Burma.

The object of Co-operative Credit Societies is to benefit the people and to promote self-help. They are not of direct advantage to Government, though, as it is clear that a contented and prosperous people are easier to govern than a poor and discontented people, Government does indirectly benefit by their establishment.

As, therefore, they are for the good of the people and ordained to promote self-help, it is fitting that here, as in other countries, the work of preaching the objects and methods of Co-operation, of preparing societies for formation and of assisting in their inspection when formed, should largely be done by Honorary Organisers who, from patriotism and good-heartedness, give some of their spare time to helping their weaker brethren. Men like (Karen) Advocate U Po Sin of Wakema, who spends all the Court holidays in organising co-operative credit societies in Wakema Sub-division, are real benefactors to their country.

The fact that such work is "honorary" causes the organiser to realise that he is doing a work of merit, to be done well, if done at all. It also shows to the people that co-operation is not a scheme of Government to raise the revenue as the organiser is not paid to propagate it.

Union is strength: the fundamental object of co-operation is self and mutual help, combination and organisation of the weak against the strong. As member helps member, so should the intelligent man with knowledge and leisure help his compatriots. It is in this way that co-operation has been established in Europe by

non-officials, such as Raiffeisen, Schulze Delitzsch, Wollemborg, Luzzatti and many others. The English Organisation Society is an unofficial body. So is the organisation of the powerful English and Scottish co-operative stores.

Co-operation is European in its origin, and a knowledge of Europe and its conditions is therefore essential in the first preachers in an oriental country like Burma. For such preliminary preaching there are, then, none but European officials and missionaries and planters who are in touch with those weak persons who should combine. Government has therefore appointed official organisers (the Registrar and his staff) primarily as an educative body. Missionaries and planters have also done their share.

But when co-operation has been explained to, and its principles and methods have been understood by Burmans, it is time for them to take up the burden and earn the thanks and respect of their countrymen by organising their compatriots.

The Honorary organiser must however be sure he understands co-operation before he begins to organise: otherwise (as has happened before) he will be like the blind leading the blind and both will fall into the ditch. For this purpose it is well that anyone wishing to act as Honorary Organiser should, if possible accompany the Registrar on a month's tour and see co-operation in being, how it is propagated and how it is supervised; and understand the work of the Registrar's office. The Registrar will then have confidence in the organiser, and the organiser will have confidence in himself and self-confidence, knowledge and enthusiasm will work wonders.

Men who cannot afford to spend time in organising should not embark on the work. The area "worked" by an organiser may be large or small. One Honorary Organiser in Upper Burma worked in six districts. Others work in one sub-division or one township or even in a smaller tract than a township. Some spend half the month on the work; others can only snatch three or four days once in three or four months. But all who have enthusiasm and an understanding of co-operation are welcome.

The qualifications for an Honorary Organiser are then, intelligence to understand, training with one of the regular staff to know the work, leisure and sufficient means to be able to give gratuitously to his country such time as he puts to organisation work. It is well that he should also be both influential and enthusiastic. Enthusiasm is important, as without enthusiasm a preacher is nearly ineffective. It will give me the greatest pleasure to train such men.

Societies of Salary Earners.

Leaflet—issued by the Burma Registrar.

Under the Co-operative Credit Societies Act all societies are either Rural or Urban. In Rural societies four-fifths of the members must be agriculturists: in Urban societies four-fifths must be non-agriculturists. Thus societies formed of persons who draw periodic salaries and who are not agriculturists, are classed as Urban Societies.

There is, however, a marked line of distinction between societies of salary earners and those of traders and artizans. In the latter, capital is essential and income depends largely on the amount of capital employed. Given energy, skill and caution, a trader can, by employing more capital, provided the interest paid on it be moderate, rise in status from a petty trader to a big merchant; or a small sawyer may become the owner of a large saw mill.

The case of the salary earner is different. He gives so many hours' work for a fixed remuneration and his spare time is employed in reading, eating, sleeping and relaxation.

He should ordinarily not require to borrow money as he should live within his income; he should rather save monthly out of his income than borrow to spend beyond it. It is true there are a few cases in which borrowing may be necessary, such as to meet lump sum expenditure for removal to a distant town, for illness of himself or his family, unavoidable litigation, replacement of effects after a fire, house-building, the liquidation of prior debt at onerous interest incurred before admission to the society and so forth. But in many of these cases the employer will give a loan or advance of

pay; and a still better course is that the salary earner should have put by a fund by saving to meet such emergencies.

The bad economy involved in borrowing is evident where, for instance, a clerk on Rs. 50, desiring to emulate the standard of living of clerks drawing Rs. 80 or Rs. 100, borrows, say, Rs. 100 and spends it on new clothes and more expensive living. Suppose he pays it back in monthly instalments of Rs. 10. Then for one or two months he lives like a clerk on Rs. 100, but thereafter he must sink to the level of one on Rs. 40, and it is always more difficult to retrench than to increase expenditure.

The only justification then for registering Co-operative Credit Societies of salary earners is that they should ordinarily be saving societies and that loans should be very exceptional. This will mean that the capital raised from savings will be invested for the most part outside the society and not in loans to members.

Homogeneity in standing, means, and social position among the members is one of the chief essentials of a truly Co-operative Credit Society. This has been proved in both Urban and Rural Societies. Societies of salary earners are mostly formed of the employés of a particular office or offices, be it Government or mercantile, or of the members of a Police force or Customs service or similar establishment: hence, another difficulty and difference from the traders' society presents itself. The establishment of an office or the Police force includes senior men on high pay and junior men on low pay. As members, such men are not *equal and even* in social position, means, or influence. Unless there be at hand a regulating factor—some person possessing knowledge of the local conditions, and of the characters of the members, with authority to insist on absolute fairness of dealing on the part of the stronger members in the society—the essential element of homogeneity is absent, and, true co-operation being impossible, the society will get into difficulties and prove more of a curse than a blessing.

There are at present (July 1910) nine salary earners' societies in Burma, one being composed of members of the Ma-ubin District Police force, two of the establishments of Settlement Offices, and six of the establishments of District Offices. They are:—

Police.	*Settlement Parties.*	*District Offices.*
Ma-ubin.	No. 2 (Hanthawaddy).	Sagaing.
	No. 5 (Meiktila).	Kyauksè.
		Pakôkku.
		Ma-ubin.
		Henzada.
		Pyapôn.

There are as yet no societies of employès of mercantile firms in Burma, though there are several such in Calcutta and other parts of India.

There are further points for consideration in connection with Co-operative Credit Societies of Government servants: points which tend yet more to emphasize the fact that such societies are not yet generally necessary.

Government has recently established a Provident Fund to which practically all officers except menials can subscribe and from which they may borrow for good cause against their savings. The accounts are kept by Government and the safety of money so saved is assured.

Government also allows advances of pay for house-building and house-purchase, and to meet the expenses of transfer.

Thus the reasons for which Government servants should legitimately borrow are very few, and seldom sufficient to justify the formation of such societies.

They will only be registered where an undertaking on the part of the head of the office or some other influential member thereof is given that he will effectively "regulate" the society by attending meetings, scrutinizing applications for loans and their use, preventing arrears, restricting loans to justifiable and necessary cases, seeing that dealings with outside money-lenders are discontinued and generally insisting on true co-operation.

Where the head of the office or some other influential official in the place so interests himself as patron, and where the society is well managed on business lines, and is rather a Provident Fund than a Credit Society, there is no doubt that it confers great

benefits both on the members and on the employer. It will check the pernicious habit of borrowing from money-lenders, enable men who have been bitten by such debt to wipe it out, induce thrift and a provision for the future, engender self-respect and business habits in the members, and generally improve the 'morale' of the establishments from which the members are drawn.

Where, on the other hand, no regulating authority assumes the duty of supervising the Society, not only will unfairness and disagreement ensue, but the society, besides taking up a quite disproportionate amount of the Registrar's time, will undoubtedly lead to extravagance and a damaged sense of moral obligation in many of the members. Facile credit has very serious dangers.

The Registrar has neither the local knowledge nor the time to be the "regulating" factor.

As regards the management of such societies, the model by-laws require that all payments due to the society on account of monthly subscriptions, repayment of loans or payment of interest *must* be made by deduction from pay at the time of disbursement. Collection in any other way has proved impracticable and leads to annoyance and arrears, and no society that does not accept the principle of payment of dues by deduction from pay will be registered.

MODEL BY-LAWS.

By-Laws for a Co-operative Society for Mutual Insurance of Plough cattle against Death.

Objects, etc.

1. The Society shall be styled the Village Co-operative Society for the Mutual Insurance of plough cattle against death. Its registered office is at . It is registered under the Co-operative Credit Societies Act X of 1904, Section 29.

2. The objects of the Society are to provide for its members an indemnity in case of the loss of plough cattle due to death from disease or accident.

Scope of Insurance.

3. The Society will not accept for insurance beasts other than healthy bullocks and male or female buffaloes between the age of four and twelve years.

4. The Society will not pay any indemnity on account of animals the death of which is due to the following causes :—

(*a*) Rinderpest;

(*b*) War, riot or rebellion;

(*c*) Theft or loss by straying;

(*d*) Journey by railway;

(*e*) The act of a third party who is legally liable to compensate the owner; and

(*f*) Contagious diseases mentioned in the Veterinary rules where the member has failed to carry out those rules or to inform the Committee of the outbreak.

The Society will not insure any beast for more than Rs.——.

Membership.

5. Each Society shall operate in an area not larger than a village.

6. All respectable persons above eighteen years of age who own plough cattle in the village are eligible for admission and on application may be admitted by the Committee. On admission, a member must sign in the Register of Members as having received and read the by-laws.

7. A member must belong to the Society for a year at least and for three years after he receives any indemnity (except in the case of removal of residence beyond the village area.)

8. Withdrawal is only permitted on two months' written notice being given to the Committee.

9. Expulsion may be made by the Committee, with appeal to the next general meeting, for ill-treatment of cattle, grave faults, fraud or deceit or for breaking rules or refusal to carry out sanitary orders of the committee or Government.

On withdrawal or expulsion the member loses his right, but retains liabilities (*i.e.*, to pay up unpaid dues).

Valuation.

All his plough cattle must be declared by an owner with details of *age* and the *value* he places on them and *description*. Deceit invalidates the insurance. Three experts chosen by the general meeting from among the members will check these owners' valuations and fix values finally. These experts can refuse to admit animals in bad condition.

Newly bought animals must be declared within fifteen days and will not benefit from insurance for fifteen days after declaration. They must in all cases be inspected by the three experts.

Animals bought to replace animals sold can be substituted, provided their value is practically the same.

No refund of premium is allowed in case of sale.

The owner is bound to inform the Committee of all cases of illness at once and to carry out its suggestions of treatment.

Incurables can be sold by order of the committee and the indemnity payable will be that due for death less the price obtained.

Experts may not judge their own cattle or those of near relatives: the Committee will judge such cattle.

Finance—Premia—Reserve Fund.

Each year each member must pay in advance a premium of 3 per cent of the value of each animal insured. The premium is payable in two instalments at the beginning of each six months after the revision of the valuations.

In case of non-payment the member can get no indemnity.

If a member wishes to remove an insured beast or beasts beyond the limits of the township, he shall be bound to inform the Committee and to pay such enhanced premium as the Committee may fix, subject to a maximum of 6 per cent.

The General Meeting can raise the premium when it thinks it insufficient.

From the second year the General Meeting can charge new members entrance fees.

The funds of the Society shall be:—

(1) The General Fund.
(2) The Reserve Fund.

The General Fund shall be the amount paid in on account of premia each year at the February and August general meetings.

A Reserve Fund shall be created to meet calamitous years and shall be formed from—

(1) Fines;
(2) Entrance fees;
(3) Donations;
(4) The excess amount of receipts over expenditure in each year as declared by the Registrar in February after indemnities accruing in the past year have been paid; and
(5) Interest accruing on Reserve Fund investments.

The Reserve Fund and other monies shall be deposited in the Upper Burma Central Bank.

Withdrawals from Reserve Fund can only be made with the approval of the Registrar; of other money deposited in the Central Bank, by the Chairman and two Committee men.

When the Reserve Fund has reached 5 per cent. of the sums assured, a dividend to custom may be paid.

Deaths and Payment of Indemnities.

When an insured beast dies, the owner must report the death to, and get it vouched for, by at least two members or one of the "experts."

He must then report it to the Committee with all the circumstances; the Committee will then help him to arrange for the best sale possible of the meat and skin.

Where a third party is liable, the owner must have taken all possible action against him before receiving any indemnity.

The Society will not pay as indemnity more than two-thirds of the value of the beast, after deducting proceeds of skin and meat, and any compensation the member may have got from a third party.

Payment of indemnities will be made at the half-yearly general meeting (but the Committee may pay on account if funds permit).

If there is *reassurance*, the amount payable by the Reassurance Society may be paid at once.

If funds are insufficient, the Reserve Fund may be drawn on with the consent of the Registrar but not up to more than half of its amount in any one year.

If funds still remain insufficient, indemnities must be proportionately reduced for all deaths of the year.

If the Committee thinks veterinary assistance is necessary, any amount paid to a veterinary doctor will be borne, half by the member and half by the Society.

Management.

The Society shall be managed by a Committee of from five to nine members named for two years (quorum shall be three to seven); at the end of two years two shall retire (selection by lot) but be eligible for re-election.

The Committee shall appoint a Chairman, Vice-Chairman and Secretary. The Chairman shall be Treasurer. All services shall be gratuitous. The opinion of the majority shall prevail.

It shall supervise the work of the three experts and assist them. It shall supervise the management of the animals insured. It can decide what sanitary measures should be taken and all such measures each member is bound to carry out.

At the commencement of each half year (August 1st and February 1st) there shall be a general meeting convened by the Chairman at which valuations shall be revised, premia received, indemnities paid and questions discussed.

All members must attend. Absentees without good reason will be fined Re. 1.

At General Meetings each member shall have one vote only.

Each year at the February 1st General Meeting the Committee will submit a balance sheet and Annual Report. The General Meeting may then raise the premium rate and impose an entrance fee for new members.

Elections for the new Committee men shall be at the February 1st General Meeting.

Resolutions passed by a majority of those present shall be binding on all the members.

Disputes.

Disputes between the Society and a member shall be settled by arbitration. Arbitrators shall be members, one being appointed by each party. In case they disagree the Registrar shall decide, or he may appoint an umpire to decide. The decision of the Registrar or the umpire shall be final and not removeable into any Court of Law.

Modifications of By-laws can only be made as laid down in the Local Government Rules and when approved by Registrar.

Dissolution can only be made as provided for in sections 22 and 23 of Co-operative Credit Societies Act and any surplus funds will be allotted to some local work, added to the Reserve Fund of

the Village Co-operative Credit Society if there be one, or, failing that, added to the Reserve Fund of the Upper Burma Central Bank.

Typical Village Society.

Suppose a Village Mutual Cattle Insurance Society has about 50 members owning, say, 120 plough cattle worth on the average, say, Rs. 45 each. Then :—

Total cattle=120.

Total value 120×45=Rs. 5,400.

Annual Insurance premia at 3 per cent.=Rs. 162, being Rs. 81 on February 1st, Rs. 81 on August 1st payable in advance.

This amount comes to an average of some Rs. 1-6-0 per year per beast, or 11 annas per half year per beast.

Old age and rinderpest being barred and also losses by theft or loss (stray) or by the fault of a third party, the annual deaths from admitted causes should not be more than, say, 6 beasts in 120 or 5 per cent.

These would be worth 45×6=Rs. 270.

The skins and flesh would fetch at least Rs. 8 a head=Rs. 48 leaving Rs. 270—48=Rs. 222, loss to owners.

The Society only pays two-thirds of value (so as to make the owner take full care). Then two-thirds of Rs. 222 is Rs. 148 and this is the amount of indemnity payable out of the premium income Rs. 162. The balance Rs. 14 would be placed to the Reserve Fund.

$(45—8)\ \frac{2}{3}=37 \times \frac{2}{3}$=Rs. 24-10-0.

There may also be a small addition to the funds from entrance fees, fines and possibly donations. These go to the Reserve Fund.

If there were re-insurance for half the indemnity, then the Re-insurance Office would get half of the year's premiums, *viz.*, Rs. 81 and the liable for half the compensation payable.

Even in a very bad year, more than one-fifth of the cattle could hardly die from causes covered by the insurance. Say that one-fifth of the 120 animals, that is 24 animals, died, then the amount payable as indemnity would be about $24 \times$ Rs. 24-10-0=Rs. 591.

If this could not be met from the premium income of the year together with half of the Reserve Fund, all indemnities would have to be proportionately reduced so as not to exceed the sum of the premium income *plus* half the Reserve Fund.

From enquiries however it does not seem likely that more than one-tenth of the plough cattle admissible for insurance are very likely to die in any one year, so that after the Society has been working for several years and has amassed a Reserve Fund, it should be able, on a 3 per cent. premium income, to meet its two-thirds proportion of all indemnities in full.

By-laws of the Dairy Society at Benares.

Issued by the Registrar, United Provinces.

1. This society shall be called the Visheshwar Co-operative Milk Suppliers' Society, Benares. Its registered address shall be "Pahariya, care of Babu Moti Chand, Benares City."

2. Its object shall be to supply pure milk and other dairy produce to consumers.

3. The capital shall consist of an undetermined number of shares of Rs. 10 which shall be payable either in a lump sum or in instalments of Re. 1/- monthly and of profits, loans and deposits. Half the value of share shall be called up and the other half shall only be called up in case of liquidation.

Membership.

4. Any person of good character and above the age of 18 and of sound mind residing within 10 miles of Benares and owning one or more milch animals shall be eligible for admission as a member. Persons who are interested in the management of the society and who are approved by the Registrar may also take in the society such number of shares as he may approve.

5. The original members shall be those who sign the application for registration. Subsequent members shall be elected by the Committee by a majority of votes.

6. Every member on election shall nominate a person as his representative in case of death and shall sign his name to a declaration, binding himself to make payments towards each share in

accordance with by-law 3 till it is fully paid up and to observe scrupulously the by-laws and other rules of the society.

7. Every member shall take at least one share and no member shall take more than 100 shares. Every member shall take as many shares as may be fixed by the Committee in consideration of his status.

8. The liability of each member is limited to the sum paid up by him on his share or shares.

9. Membership shall cease—

(*a*) by retirement;
(*b*) by expulsion;
(*c*) by death; and
(*d*) by failure to reside within 10 miles of Benares.

10. A member may be expelled by a resolution passed at a general meeting by a majority namely, two-thirds of the members present. He shall only be expelled for failure to supply pure produce or for dishonest dealing with the society or attempts to injure it for other grave misconduct. A member may retire by giving notice to the Committee. A member whose connection with the society has ceased under (*a*), (*b*) or (*d*) of by law 9 shall be entitled to repayment of any instalments paid towards the purchase of a share or shares but the committee may suspend his right to such repayment whenever circumstances arise which make this step necessary in the interests of the society.

11. A member shall not transfer any share, whether fully paid up or not, except to a member approved by the committee.

12. If a member dies and if his heir or successor-in-interest is eligible for admission as a member, it shall be open to the committee to elect such heir or successor-in-interest as a member in place of the deceased, but the committee shall not be bound to do so nor shall the heir or successor-in-interest of a deceased member be bound to join as a member. If the heir or successor-in-interest is elected, all rights and liabilities of the deceased member shall devolve on him.

13. If on the death of a member his heir or successor-in interest does not become a member, the society shall within one year of his decease pay to or transfer to the credit of the person nominated under by-law 6 or, if there is no person so nominated, such person as may appear to the committee to be entitled to receive the same as heir or legal representative of the deceased member, the share capital actually paid in by the deceased after deducting therefrom the money, if any, due by the deceased to the society and the society shall thereupon be absolved from all liability in respect of such hare.

Administration.

14. The supreme authority shall be vested in the general meeting which shall be held—

(*a*) in July (this shall be called the Annual General Meeting);
(*b*) whenever summoned by the Chairman;
(*c*) at the written request of one-fifth of the members.

One-third of the members of the society shall form a quorum except as provided by these by-laws. At general meetings postponed for want of a quorum, no quorum shall be necessary.

15. The general meeting shall

1. elect the committee and new members and remove them in accordance with these by-laws;

2. consider the annual balance sheet and the report of the committee thereon;

3. determine the use to be made of the reserve fund and declare a dividend and otherwise direct the disposal of profits in accordance with these by-laws;

4. fix the amount of loan, if any, to be raised by the society;

5. consider the proposals of the committee on the inspection and audit notes of the Registrar of Co-operative Credit Societies, United Provinces, and his assistants and of the Inspectors appointed by the District or Central Bank or Union to which the society is affiliated.

A general meeting may, by a special resolution, fix a fine not exceeding eight annas to be paid by any member who fails without good excuse to attend the general meeting and such member shall be bound to pay such fine.

16. The committee shall consist of five members elected by the general meeting for one year and removeable during their term of office only by a two-thirds majority.

Members of the committee shall be eligible for re-election; in case of death or removal, a fresh member shall be chosen by the remaining members of the committee.

It shall elect its own chairman and shall be responsible for the efficient working of the society.

17. Meetings of the committee shall be held whenever necessary and in any case once in each month and all business shall then be transacted. Two members shall form a quorum.

All members shall be entitled to attend but only members of the committee shall vote at such meeting.

18. The chairman or in his absence some other member elected by the members present shall preside at all general meetings and meetings of the committee.

19. Every member shall have only one vote and all matters shall be decided by an ordinary majority of votes except as provided by these by-laws, the chairman or other presiding member having a casting vote in case of an equality of votes. No voting by proxy shall be allowed and no member shall vote on any matter in which he has a direct personal interest.

20. The committee shall have the following powers and duties:-

(1) To fix the rate of payment for daily produce supplied.

(2) To borrow money on behalf of the society whether by way of deposits or of loans subject to any restriction framed by a general meeting and to repay such loans or deposits.

(3) To appoint or punish any member of the salaried staff.

(4) To recommend the expulsion of a member as provided by by-law 10.

(5) To accept the resignation of a member.

(6) To hear and decide complaints.

(7) To see that animals supplying milk are kept under clean and sanitary conditions.

(8) To receive, withdraw or disburse or by special order in writing authorise one or more of its members to receive, withdraw or disburse money or other property of the society and to arrange for the safe keeping of its funds and documents.

(9) To examine and check the accounts kept by the Manager.

(10) To make proper arrangements for the reception and testing of milk.

(11) To submit the accounts of the society as required by the rules and by-laws.

(12) To call a general meeting as provided by by-law 14.

(13) To submit to the annual general meeting a balance sheet and a report on the work of the year ending on the 30th June preceding.

(14) To make proposals to the general meeting for payment of dividend and disposal of profits and reserve in accordance with these by-laws.

(15) To consider the inspection and audit notes of the Registrar or his assistants and make proposals thereon to the next general meeting.

(16) To institute, conduct, defend, compromise, refer to arbitration or abandon through any of its members or the Manager legal proceedings of claims by or against the society or the officers of the society concerning the business of the society.

(17) To acquire on behalf of the society shares in the District or Central Bank or Unions to which it is affiliated.

(18) To receive applications for membership and decide the number of shares which each borrowing member shall acquire in the society.

(19) Generally to carry on the business of the society and to make rules for the conduct of the same.

21. The Committee shall appoint a Manager and may make over to him all or any of its powers and duties. The committee may also appoint such agents, clerks and servants as may be necessary for the carrying on of the business.

22. The following registers and books of account shall be kept by the society.—

(1) a register of members;

(2) a register of payments towards shares;

(3) a book of the proceedings of the general meeting and of the committee;

(4) a cash book;

(5) a ledger account for each milk supplier;

(6) a register of milk testings;

(7) a ledger account for each creditor of the society.

23. The registers of the society shall always be open to the inspection of members.

24. Copies of such entries in the books of a society as may be required for the purpose of section 22 of Act X of 1904 shall be made by the Manager of the society and shall be certified correct by him and by the Chairman or other member of the Committee.

PROFITS.

25. Profits shall be disposed of as follows :—

1st—One-fourth shall go to the reserve.

2nd—Seven per cent. shall be paid on all shares fully paid up.

3rd—Any sum still remaining shall be distributed to suppliers of milk in proportion to the amount of their supplies.

26. The reserve fund may be utilised in the business of the society and a portion of it may be applied at any time

(1) to paying off the liabilities of the society;

(2) to purchasing shares in the District Bank &c.;

(3) to making a deposit in the Government Savings Bank or with any joint-stock or other bank approved for this purpose by the Registrar.

27. The reserve fund shall be indivisible and no member shall have any individual claim to it. If the society is liquidated, the reserve fund shall, with the sanction of the Registrar, be disposed of as follows :—

a. It may be applied to some public object approved of by the members ;

b. If the Registrar is of opinion that a similar society can be started again within a reasonable period, he may direct that the money be temporarily deposited in any local or other bank until required for this purpose and if the new society be not started, he may dispose of it as in *(a)* ;

c. It may be credited to the reserve fund of the District Bank or other society formed to encourage the spread of co-operation in the locality.

28. The society shall be liquidated only by order of the Registrar or by the vote of a three-fourths majority of the members assembled at a general meeting held for this purpose and with the sanction of the Registrar. The Registrar may then appoint a liquidator to settle the account.

29. Disputes regarding these by-laws between members regarding the operations of the society shall be decided by the committee subject to an appeal to the Registrar, whose decision shall be final.

30. These by-laws may be modified by a three-fourths majority at a general meeting specially convoked for this purpose and with the sanction of the Registrar.

ADVERTISEMENTS.

The Big Conjeeveram Urban Weavers' Union,
Raja Street, Big Conjeeveram.

(*Established December 1905*).

OBJECT :—To improve the economic and moral condition of Weavers.

Profits are utilised for the exclusive benefit of Weaver members.

Male cloths, durable and well-made, can be had from the Union to the following prices.

Number of yarn.	Width.	Description.	Price per yard. Rs.	A.	P.
80s	54"	Irkambi, Goranchu, or plain ...	0	8	6
60s	54"	" " " ...	0	7	6
	49"	" " " ...	0	6	6
	45"	" " " ...	0	5	6
40s	54"	" " " ...	0	6	3
	49"	" " " ...	0	5	9
	45"	" " " ...	0	5	3

Silk or lace for borders extra.

Other kinds of cloths made to order.

Terms : Cash or V. P. P.

Deduction of 1 anna in the rupee of the price of cloth allowed to holders of the bonds issued by the Union. For further particulars apply to :—

The Secretary.

P. RAMACHANDRAN,
Secretary.
22—12—1909.

MADRAS.

The Madras Bulletin of Co-operation.

Vol. III. 10th JUNE 1912. No 4

Organization of Societies in South Canara and Malabar Districts—April and May 1912.

IN April 1912 the Registrar inspected the only co-operative Society then working in the South Canara District, namely that at Puttur in Uppinangady Taluk and found that it was not only working well but promised to be the means of propagating ideas about the movement, as its chief officer offered to go to Pane Mangalore, Bantwal, Udipi, Coondapur etc., and explain the advantages of co-operative societies to the local ryots. The kind offer was accepted, with the result that in most of these places societies have been organized and registered.

At Kasargod the Registrar addressed a meeting of elementary teachers with the object of forming a society for them similar to those recently started at Tiruvadi (society No. 834) and Tanjore (Society No. 835), Other societies for elementary teachers a class whose sympathy it would be specially useful to enlist because of their influence over their respective villages are in course of formation.

At Manjeshwar a society was formed for the benefit of fishermen who were introduced to the Registrar by Mr Joseph Alvarez, an enterprising owner of fish manure works, who himself agreed to head the list of applicants. The fishermen there are now in the hands of local sowcars (called chappakars) who advance them

money and charge no interest but are entitled to buy the daily catch at "sweating" prices. The fishermen own some property, their boats being valued Rs. 600 per pair, as well as large fishing nets. It may be expected that theirs will be a model society of a kind that is much wanted all along the West coast. Altogether twelve new societies have been registered in South Canara, namely, at Mangalore, Manjeshwar, Bela (near Kumbla Ry. Stn.), Udipi, Coondapur, Baindur, Kalyanpur, Udayavar (the two last near Udipi), Suratkal, Kalnad (near Kasargod) and Kasargod (2 Societies in this town). Four of these societies including that at Mangalore, were formed at the instance, and for the benefit, of the Konkani speaking Roman Catholics in the respective places. One, at Kasargod, is a Society for Elementary teachers and the others are co-operative credit societies open to all classes.

In Malabar six societies have been registered, namely at Koduvayen, Kuzhalmannam, Perumudiyur, Valancheri, Mangada and British Cochin. Owing to the peculiar land tenure of Malabar the ordinary type of rural credit society that has developed on the East Coast, consisting of a number of ryots who pledge their patta lands as security for loans advanced to their society by a Central Bank is unsuited to this district and rural societies with unlimited liability, but giving and obtaining credit on personal security, the best security from a co-operative point of view, will be the ruling type in Malabar. Such societies must for the present depend on capital raised locally. Grain banks are urgently required on the West Coast and have a better chance of success there than on the East Coast, since grain advances are obtained by every cultivating ryot or tenant on the West Coast and such advances carry high rates of interest, the higher because they are calculated in grain.

NIDHIS.*

NIDHIS are a development of the Kuttu Chittu or Chit Funds on the lines of the English building societies whose by-laws were largely incorporated in the rules of the first nidhi started in this province. This first society was started in Madras by a knot of officials to be run for their exclusive benefit. It worked till 1872. Many other societies arose with similar objects and functions. They were all dissolved: new societies were constituted and duly registered.

There are now a large number of societies of the nidhi type working in different parts of this presidency. About ten years back there was an outburst of banking zeal in this country: thousands of societies arose and naturally many were got up by men of no character. Many of these have been suppressed or have perished, but large numbers are still in existence. It is evident that nidhis are bound to have a place in the economic history of this country.

Nidhi by-laws.—Having been formed after the same model, the rules of nidhis are all mostly similar. An examination of their rules will disclose their defects from a co-operative standpoint. It must also be stated that what seem weaknesses to co-operators are matters of pride among nidhi members.

Objects.—All nidhis have two objects:—(1) promoting savings and thrift; (2) securing loans at a favourable rate of interest. These, no doubt, are also among the objects of co-operative societies but co-operative societies have also before them the more benevolent object of promoting, in their members, ideas of self-help and a spirit of *espirit de corps*. Says Sir Frederick Nicholson "An unexpressed object (of Nidhis) is also the provision of salaries or profits for the promotors, directors or officers:.....a perfectly legitimate object but one that is apt to

* Extract from a paper written by Mr. K. S. Srinivasan B. A., for the Triplicane Co-operative Society Ltd.

interfere with benefits of borrowers and members and tends to departure from the strict rules of the society."

Who can be members.— Nidhi rules ordinarily provide that any Hindu may be a member. The rules also provide that the Secretary may admit members. The fact that the Secretary, a paid servant in Nidhis, has the right to sanction the admission of *any person*, makes it apparent that the Nidhi does not concern itself about the character of a member if he would only offer to pay his subscription. This is further proved by the right given to members to effect a transfer of shares.

The nidhi does not wish particularly that the subscribers should be known to each other or to the directorate. The principle is pushed so far that the members need not belong to the same place or even to the same province. Proximity of borrower to lender is one of the recognised conditions of sound credit: the nidhi overlooks this principle.

The system of regular monthly payments which the nidhi rules involve puts out of court agriculturists who in this country stand most in need of help.

Cost of rule book and receipt book.—A price is fixed for rule books and receipt books largely in excess of their actual cost: this is a palpable excuse for getting money out of members: indeed it is open to the objection of laying an unnoticed and unnoticeable tax on the constituents The fact is that whilst co-operative societies do not aim at profits and seek only to help members nidhis exist for profit.

Securities for loans.—There is no more restriction on the grant of loans than this ; loans are granted on the security (1) of landed property (2) of share capital. The obvious, and certainly, a very strong objection to the rule is that the grant of a loan has no reference to the purpose of the loan. Loans can be granted for any purpose, productive, unproductive, wasteful or even vicious provided it is not illegal. The experience of mankind all the world over, has shown that cheap and facile credit is not, by itself, a great blessing: nor an unmixed blessing either. The average man is able to place no restraint upon himself and if he can have

money easily, he will spend it freely. The credit which co-operative societies grant must be, to adopt the expressive phraseology of Mr. Wolff "fructifying credit, producing some new value or else economising expense." Co-operative societies lend for only certain defined "useful purposes." They also require that their members should use the advance for the purpose stated in the loan application. The annual report of the Registrar of Co-operative Credit Societies, Madras, for 1910-11 shows that all classes of societies insist on "truthfulness in the application of loans for purposes stated." In one society a member was expelled for dereliction from duty in this respect.

No loans on personal security.—The pride of nidhis is that they do not lend on personal security. They do not therefore give any help to the struggling labourer, who, unable to make both ends meet in a month of exceptional misfortune, wants a loan and has nothing more to pledge than the word of an honest man with, if need be, the guarantee of one or two of his brethren. What a contrast to a co-operative concern whose fundamental object is, in the words of M. Luzzatti, "the capitalisation of honesty" or in the words of Leonard d' Andrimont "the democratization of credit." Co-operative societies place a value on the moral worth of persons whilst in joint stock companies—including nidhis—the member's money is the main object considered. Sir Frederic Nicholson has taken pains to show that mortgage loans are not after all absolutely safe as they are supposed to be. And then mortgage decrees take time to come in: and they require more time for execution. Mortgage loans more often end in suits than loans on personal security. In the mofussil loans are advanced on the mortgage of property with the express object of ultimately foreclosing it. This is really regarded as a cheap way of acquiring land. So for the purposes of a bank, a mortgage loan does not seem particularly suitable.

Valuation fee, bond fee, etc.—When property is offered as security for loans the applicant for the loan has to pay, in advance, a valuation fee and bond fee and where the property is immovable, also the carriage expenses of the estimators and surveyors. The fee is to be proportioned on the loan amount. The ideal of a co-operative society is that members should render

gratuitous services to each other in such small matters. These fees are not actual expenses incurred by the nidhi but are levied with the unconcealed object of making money, showing the institution to be no better or worse than a sowcar.

Withdrawals of deposits or shares.—The rules relating to withdrawals make it evident that withdrawals are viewed with disfavour.

Division of profits.—It is in the manner of division of profits that nidhis mainly join issue with co-operative societies. Firstly, 1/8 or less of the profits go to the reserve fund. It is evident that this is not calculated to develop a strong reserve. In a nidhi carrying on transactions to the tune of 15 lakhs the reserve fund is seen to be about Rs. 15,000. There are societies which divide even this small reserve among members once in four or five years. On the other hand there is a *consensus* of opinion in co-operative circles that a strong reserve is a *sine qua non* for the stability of a society.

3/8 to the Directors.—The greatest objection to nidhi rules lies in the allotment of a substantial part of the profits to directors. It seems to be the case that the original promoters of nidhis had before them the co-operative ideal of rendering gratuitous service, but Directors, being human beings, naturally evinced before long a desire to increase, or rather to show an increase of, profits. It is possible that as Sir Frederic Nicholson points out they show bad or even absolutely irrecoverable debts as assets to make out larger profits. The mischief is manifest and there is no need for saying more in the matter. It must be admitted that many a nidhi has been ruined by the greed for profits on the part of directors. Places in the directorate become coveted objects and this leads to endless troubles, cliques, intrigues and what not.

Sources of Profits.—Profits arise chiefly or in large part from penalties levied for default in payment of subscription or interest. It looks as though unpunctuality is viewed with favour in order that profits may swell. In one "good" nidhi the arrears of subscription, interest or penal interest were nearly a lakh of rupees out of a total transaction of about 15 lakhs of rupees. Profits

depending on the unpunctuality of members are in truth an evidence of weakness. These irregularities cut the ground under the feet of an institution and it is a dangerous practice to leave them unchecked.

Qualification for Directors.—Every aspirant for a place in the directorate, which on account of the emoluments is keenly contested, must own a certain number of shares and have deposited a minimum sum of money. This at once shuts out poor people. Not unoften big men whose private life is the talk of the town get in, not because they will do the work best but because they are big. In a co-operative society there is no distinction between rich man and poor man: but a sharp line is drawn between good men and bad men and the latter are sternly ruled out. Mr. Wolff's remarks on the subject form refreshing reading. "There is no room here, in co-operative societies, for ornamental heads and patronage...The most distinguished person should be made welcome in the bank. He may be useful. But he should, inside the bank, be placed on exactly the same level as all others. The bank cannot have wealthy men governing, others obeying."

Fees for Notices.—The charging of fees for notices is again a vexatious tax open to the objections usually urged against indirect taxation. Co-operative societies, which, as has been already pointed out, exist for mutual help would not tolerate this fee.

Audit.—In the countries of the west where actuaries are available, credit institutions can have their accounts duly checked: Nidhis here often resort to non-expert help and I know of one instance in which a retired revenue inspector was asked to audit the accounts of a nidhi though he confessed ignorance of the work. The fact is the work of audit often dwindles into a mere farce, and is gone through more to keep up appearances than to provide a useful check which is the soul of the business.

Seat of power.—The theoretical seat of power is of course the general body but the *de facto* rulers are the directors and the Secretary. The only person that understands the working of the society fully is perhaps the secretary who is after all only a paid servant. With the advantage of continuity of service and intimacy of knowledge of the business he is invariably able to do things as he likes.

Seven virtues of co-operative Societies absent.—From the foregoing remarks it will be seen that nidhis lack the seven characteristic virtues of co-operative societies.—(1) The spirit of brotherhood present among the constituents of a co-operative society (2) the joint responsibility of members. Ettore Levi says that "every co-operative society should be *una famiglia onesta e laboriosa*, an honest and industrious family, with a community of aims, of interests and of sympathies." (3) their democratic character. (4) their system of public accounts, (5) regulating admission by purchase of shares (6) guarding against individual profit (7) gratuitous service by members.

Practical difficulties in the work of Nidhis.—There is no defined outlet for the moneys of the nidhi—no automatic provision for disposing of surplus funds. The result of this is that when the transactions of a nidhi swell, a good deal of money has to be idle; (2) another weakness is that in such organisations members fall into two defined classes, the borrowers and the lenders, with opposed interests. This cannot happen in a co-operative society which members join for securing loans: those that join with the altruistic motive of helping their less fortunate brethren are but few: (3) when nidhis are prosperous their operations extened to distant places with the result that their transactions get out of control. These facts make it apparent that when nidhis become very prosperous, it is inevitable that becomes more often they present a sickly plethora than a healthy growth.

Co-operative merits of Nidhis.—I have referred to the weaknesses and defects of nidhis but it must be admitted that they have served a useful purpose in the economy of the country—not that alone, but they have promoted some of the ideals of co-operative societies also. A high authority on the subject once remarked—"A nidhi is in many respects a co-operative society. Ordinarily it does not lend except to members and enforces thrift: no one who is not prepared to take up one or more shares and to contribute to the share capital month after month can join a nidhi." As banking institutions, they have, as Mr. Thorold Rogers would perhaps put it, "marshalled and mobilised into lines the forces of capital." Like other banking institutions, they have the merit of removing the personal element altogether. Moreover they encourage thrift and productivity, their principles are definite and fixed, their dealings are public, and they give training in business habits and in working together for a common purpose.

Extracts from Speeches.

The Chingleput District Co-operators' Conference held on the 25th and 26th March 1912.

Anderson Hall, Madras.

His Excellency's Speech.

The following is the full text of the speech with which His Excellency was pleased to open the Conference:—

I shall not take up much of your time because really there is nothing that I can say to you. Only a few days ago I heard of this meeting, and when it was mentioned to me, I was told by the gentleman who mentioned it to me, no doubt, acting very kindly, that he thought I could not go to it or ought not to go because he thought my time was very fully occupied, and I was just going away. I told him that I was very grateful for his kind thought for me but, really, I thought this was a meeting I would make an effort to attend because I should not like to know that a meeting of this sort had taken place in Madras, while I was Governor, without having done something to show that I sympathised with your movement. I have heard of the development of co-operative societies here in Madras and India generally. I have been told and as Governor of Madras, I am glad to know it that, in this Presidency, more than in any other part of India the movement has been successful. I believe that Chingleput is where it began and that in Chingleput the movement is at present stronger than it is anywhere else. That being so, I am very glad to congratulate Chingleput. I have a high opinion of Chingleput, as a portion of Madras, perhaps because I live in it myself, but from what I have seen of it I believe, it is as intelligent and as advanced a portion of the Presidency as exists, and I am very glad to know that co-operation has done so much for Chingleput. I can well believe that it has done a great deal. I am told it has done good in

several ways, that it has enabled those who cultivate lands to get money on reasonable terms for the purpose of cultivation and that it has enabled them not to waste as much as they would otherwise have done on interest and I speak feelingly. I grudge money paid as interest more than anything else I have to pay, myself. I am always glad of anything which enables persons to get money on fair interest and I believe it encourages also the habit of thrift and all that it implies on the part of those who develop the resources of their country. I am not going to keep you any longer as I have got to hear what you have to say. I say once more that I am very glad of having had the opportunity of being here, and of testifying that I do believe in the good that co-operation can do for agriculturists. I am myself an agriculturist, and I belong to more than one society in which co-operation, though on somewhat different lines from what you have here, has done a great deal of good; you do not go in for distributive co-operation, I believe, but I know that it has done great good in other parts of the world which envy India for the development that has taken place here in the way in which you advance money to co-operators. (Cheers).

The Kumararaja of Challepalli announced that letters and telegrams of sympathy with the object of the meeting had been received from Rao Bahadur V. K. Ramanujachariar, the Zemindar of Parpanad and Mr. Ananda Rau of Vadamalaipuram, Ramnad District.

Welcome Address.

The Chairman of the Reception Committee, the Kumararaja of Challepalli, then read the following welcome address:—

YOUR EXCELLENCY AND GENTLEMEN.—We, the members of the Reception Committee of this Conference of Co-operative Societies in the Chingleput District, beg most respectfully to offer our genuine and heart-felt thanks to your Excellency for presiding over its sittings and we take this opportunity of thanking the Government for the numerous steps taken hitherto for ameliorating the condition of the ryot population of this Presidency of which the encouragement given to the movement of co-operative credit system is by no means the least important.

Gentlemen, no apology is needed for my placing before you the objects for which we have assembled here to-day We are met here to compare notes, as it were, to see how the various societies scattered up and down the district have progressed up to now and to plan, if necessary, new schemes of action in the light of past experience. Gatherings like the present, will afford to us opportunities of discussion and of solving difficulties experienced in the working of the co-operative scheme. Their educative value and moral influence require no special mention, being so well-known. So much for the practical utility of such conferences.

Extension of scope of the Co-operative movement.

As regards the immediate business before this conference, while feeling satisfied from all accounts that one form of co-operation, namely co-operation for credit purposes, has been a success up to now, it has to be considered whether the two other forms of societies, *viz*, distributive and productive societies are being utilised freely as well as properly managed by the classes for whom they are intended. In the G. O. on the Administration Report for 1910-11, the Government have stated that "failure has been the rule and success an exception," among distributive societies. I would like to draw the attention of the Conference to this unhappy state of things so that it may discuss the causes that are at the bottom of this failure and hit upon remedies for their removal. The hesitation on the part of the people to take advantage of these two classes of societies appears to me to be due to the doubts entertained as to the applicability of the Act of 1904 to such societies rather than to disinclination to unite for such purposes. Now that the proposed amended Bill has been passed into Law in the Imperial Legislative Council by which the defects in Act X of 1904 were removed I hope distributive and productive societies will become more popular hereafter at least among the cultivating and artisan classes.

The Supply of Capital to Rural Societies.

Another important matter which is worthy of consideration by the conference is the difficulty of getting sufficient funds that is generally felt by rural societies as their number increases. To get over this difficulty the Registrar of Co-operative Credit

Societies has suggested to Government the advisability of starting central banking unions composed of individual societies which may be further utilised to take over the functions of supervision and inspection now exercised by the Registrar. After mature deliberation the Government have agreed to this proposal of the Registrar. As I stated above this conference will have to discuss this question of starting such unions with the assistance of the enlighteened Registrar. These banking unions if well organised, will not only be a source of great help to rural societies in advancing funds whenever necessary on very favourable terms of interest but they will serve as regular Councils of Supervision as is the case in German Societies.

With these words I have much pleasure in welcoming to the conference your Excellency and the delegates representing the various societies of the district as well as our visitors from other districts.

Speech of Diwan Bahadur L. D. Swamikannu Pillai Avl.

Mr. L D. Swamikannu Pillai Avl., being next called upon to address the meeting said :—

The fourth Conference of the co-operators of the Chingleput District which you have met to-day to celebrate is marked by more than one feature of success. It has not only the privilege of being presided over by His Excellency the Governor at a time when nothing but his extreme benevolence could enable him to grant our request, but in response to so much condescension on his part all the societies have done their best to make this Conference representative not only of the Chingleput district but as far as possible of the whole Presidency. Besides the 175 societies of the Chingleput District which we see are very fully represented by their delegates, we have visitors from almost every other part of the Presidency. We have the secretaries of most of our Central Banks in the mofussil. We have the secretaries also from many of our Urban Banks and from many of the first class rural societies in districts other than Chingleput. We should be justified in calling this practically the nucleus of a provincial conference. It is only by successfully conducting District Conferences that we shall be able by and by to hold successful Provincial Conferences. Therefore I am addressing a few remarks to-day towards the rendering of District Conferences more useful for the great objects of Co-operation. Hitherto our efforts have been directed mainly to combining individuals into Rural and Urban Societies. We have found that task difficult indeed. And having before me the delegates of Chingleput District, I may say at first it was difficult to get people enough for 5 or 6 societies in the whole of the district in the course of a year. That is the sort of difficulty we are now experiencing in forming societies into Unions which are very necessary in order that co-operation may fructify among the people. For a Union it is necessary that many societies should combine just as for a Society it is necessary that individuals should bring together their minds and their action. I think advantage should be taken of our conferences to impress upon the delegates the necessity for Unions so that when time comes they may be ready without much trouble on the part of the organisers to come together and form unions. We have already two Unions in the Chingleput District consisting each of about 20 Societies. These are the only unions in the presidency, though it is true that others are in contemplation in other districts. There was another difficulty till recently experienced with regard to the formation of such unions *viz.*, that of registering them. The law, as it was first enacted in 1904, required the special sanction of the Government for the registration of a union. By the present enactment, which has received the assent of His Excellency the Viceroy it has become possible for the Registrar to register unions of societies under the ordinary rules applicable to Societies. Hereafter the growth of unions will proceed apace.

The next thing is to cultivate orderliness in our conferences. Our Societies came from various parts of the district. It is noteworthy that our meetings are characterised by great order; but that is not the kind of order I refer to. If we are to get through our business in a reasonably short time and allow discussion which is naturally desired by the delegates who attend conferences, we should divide our labours and form Sub-Committees for discussing the various Resolutions brought up before the conference. Till now we have not had the practice of forming Sub-Committees and discussing Resolutions in them. We used to put resolutions

before the whole conference. That is not an entirely satisfactory method of procedure. It would be satisfactory if those delegates who were interested in particular subjects, formed themselves into Sub-Committees and sat at them for a day or two and prepared them for consideration and adoption by the conference. These are two matters that our Conference may usefully turn their, then, attention to, namely, (1) to cultivate organised action by promoting unions and (2) to cultivate orderliness by division of labour at our conferences. With those remarks I close my speech.

Diwan Bahadur Adinarayana Aiyah.

Then followed speeches, which will be duly published in the official report of the conference, by Sir V. C. Desikachariar, Mr. T. Rangachariar and Mr. C. Arulayya Nayudu. The Hon'ble Mr. Adinarayana Aiyah then proposed a hearty vote of thanks to His Excellency for presiding over the meeting in the midst of many occupations and demands on his time. There was no movement intended for the good of the people which did not appeal to His Excellency or failed to receive his countenence. In parting with his Excellency he hoped that he would have a warm corner for the Madras Presidency with which his connections had been all too short. He hoped that they would pass the vote of thanks proposed by him with all the enthusiasm they were capable of. The proposal was carried with great acclamation.

His Excellency's Concluding Remarks.

In bringing the first day's proceedings of the Conference to a close His Excellency made the following remarks:—

GENTLEMEN,—I thank you very much for the kind way in which you thank me. I notice on the paper of business put down as one of the items, "His Excellency the Chairman's concluding remarks." The first thing I noticed when I saw this paper of business was that I was put down for two speeches. It is explained that the Chairman at your meetings was expected to make a speech in English and another speech either in Telugu or in Tamil. I am afraid I cannot do that. If I had been allowed to remain five years here perhaps I should, because I am told, that it requires five years to learn how to pronounce Tamil properly.

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Instead of five years I have only been 5 months and I therefore plead my inability to do so. But I can assure you gentlemen, I thank you none the less. I can assure my friend Mr. Adinarayana Aiyah that I shall always have a warm corner, as he put it, in my heart for Madras and I may say a very warm one for Chingleput in which I have spent some happy time. I sincerely hope that I shall often hear in future of the progress of your association because I believe that it may do a great deal for the welfare of the agriculturists on whom, whether here or whatever part of the world you go to, the welfare of any country must very largely depend. I do not believe—putting aside education and putting aside sanitation which I suppose are the great needs of the country—you can do anything better than to help the agriculturists. There cannot be much that you can do for them but that you can help to give them better water supply and pure water. I think these are the two very great needs, as far as I can judge, of the agriculturists in this part of India at any rate. But I am glad to know that your association is doing after all the greatest thing that you can do for any man, *i. e.* helping your agriculturists to help themselves.

Gentlemen, as I told you before, I cannot make any speech to you in Tamil. The only thing I can do is to say a few words that I have learnt—you must excuse me if I do not pronounce them correctly.—போய்வருகிறேன், சுகமாயிருங்கள்.

The Registrar's Notes of speeches delivered on the second day of the Conference.

Mr. O. M. Venkatnadha Aiyangar of Utteramerur.

The borrowing agriculturist can hardly ever repay the loans contracted by him in one, two, three, four or even five years. His bad seasons are of such frequent occurrence that he can ordinarily redeem his debts only in the course of ten years.

Borrowers should be held strictly to the purpose for which they borrow: a man who borrows money to purchase a cart should not use it for buying a pair of bulls.

In the matter of the calculation of interest people sometimes seek a deviation from the prescribed rules. They ask for the calculation of interest from day to day instead of regarding fractions of months as whole months. The latter system has been adopted with the double object of saving to panchayat members or secretaries of societies, who after all only render gratuitous service, the labour of difficult calculations and as a set off against the contingency of loans repaid lying idle. Or again members of societies desire that a rate of interest lower than that fixed in the by-laws may be allowed. The rules on these subjects have been laid down with a due consideration of all the circumstances of the case and exemption should, on no account, be sought from the operation of the rules.

Mr. N. Seturamier, Secretary of the Nidamangalam Agricultural Bank.

The system of co-operation may, with advantage, be employed in improving the agriculture of the country. I shall cite a few instances of what could easily be done in this direction. Ryots may join together to purchase improved agricultural implements. Ten persons may join together and pay Re. 1 each to purchase the *gorru* drill which costs only Rs. 10. The instrument helps in effecting a saving of seed and enables the ryot to sow a field when the process has to be completed in a hurry. There are a number of other implements which can be similarly purchased and tried.

All the agriculturists of a village can purchase all the manure required for the place, in common, thereby economising labour and trouble. The agricultural department now and then opens seed-depots in rural areas, but it hesitates to do this on a large scale as these depots are often exposed to risk from dishonest dealing. If a co-operative society which *prima facie* stands for uprightness should apply for a seed depot the Director of Agriculture is likely to view the application with favour.

Ryots can combine together for selling their produce. At present the ryot finds himself an unequal combatant in the struggle with the sowcar and he has to sell his produce for any price. The money lender advances money on the security of the growing crop

hardly is the harvest over when he steps in to carry away the produce in satisfaction of loans advanced by him. From the position of vantage that he holds he is able to have any price for the grain. If the ryot borrows from a co-operative society he can easily tide over the dull season in the market, stock his crop and sell it in the dearest market. He would even do better by combining with others in effecting this sale.

Co-operative principles may usefully be adopted in other ways also; in stocking sheep; in lifting water for irrigation etc. In Nidamangalam the Muhammedan cultivators unite for the purpose last mentioned.

Mr. P. Ramachandra Sastry, Secretary, Conjeeveram Weavers' Union.

Weaving is as essential to human life as agriculture; next to agriculture it yields a livelihood to the largest number of human beings in villages. The trade can be carried on with very little capital; ten rupees are ample for the stock-in-trade of a weaver. An agriculturist will require very much more.

If a weaver should only be able to secure all his earnings for his own use he would certainly be prosperous: but the majority of weaver families continue in a state of indebtedness from generation to generation. They give satisfaction neither to their creditor nor to themselves.

As he is at present circumstanced, the weaver is to all intents and purposes past redemption. He is generally a man of no character. Before taking measures to relieve the weaver we should try to ingrain in him the lessons of diligence and regularity.

After giving him a grounding in character, efforts should be made to secure to him the benefits of his labour. The greater portion of the weavers' profits now goes to the seller of cloths and not to the maker of them. His profit is that part of the sale price of the manufactured article which is left after the payment of cost of material, cost of labour and an insurance charge to cover risks The great point in the task of relieving weavers is to secure to him the profit which now goes to enrich the middleman. This can only

be done by applying to weaving the principles of productive and distributive co-operation. I appeal to the leisured classes, the philanthropic and the charitably disposed to take to heart the deplorable condition of the the weaving class and establish distributive and productive societies for their relief.

Mr. Narasimha Chary-President of the Valarpuram Rural Society.

Co-operative societies have been established with the express object of helping the poor. Distinctions of caste should not be introduced into co-operative societies and it is our duty to allow the depressed classes, the panchamas in particular, to share in the benefits of co-operative societies. Societies may be formed for their special benefit. To the poorer people grain banks are a necessity and I hope they will be constituted before long.

The Pichivakkam society brought to notice the fact that societies often experienced great hardship by courts of law decreeing for loans granted by societies only 6% interest from date of decree to date of recovery whilst the societies themselves have to pay 7½ per cent. to the Central Bank for the same amounts.

The Secretary of the Utteramerur Union told the Conference that at Kammalampundi, one of the villages comprised in the union, it was resolved to start a co-operative free school to be maintained out of the contributions of the 150 members at the rate of 3 annas per member to which Government added a grant of Rs. 4 per annum. The school is manned by two teachers.

The Triplicane Urban Co-operative Society Ltd.

Co-operators' Day, celebrated on 7th April 1912.

The Fifth Co-operators' Day of the Society was celebrated in the premises of the Head Office on 7th April 1912 with the Hon'ble Mr. P. S. Sivaswamy Aiyar C. I. E. in the chair. A large number of Co-operators from Madras and the mofussal had assembled.

The first item of the programme was social gathering and refreshments. This being over the business part of the proceedings commenced.

The late Mr. J. C. Gray.

Mr. V. S. Ramaswami Sastri moved the following Resolution:—

"This meeting of the Members of the Triplicane Urban Co-operative Society, Limited, desires to place on record its deep sense of the loss sustained by the Co-operative Movement by the death of Mr. J. C. Gray, ex-Secretary of the Co-operative Union, Manchester."

Mr. K. B. Ramanatha Aiyar Seconded the resolution which was carried *nem con.*

Welcome Address.

Mr. K. B. Ramanatha Aiyar, the President of the Co-operative Society, Triplicane, in welcoming the Co-operators that had assembled from the various parts of the city and the mofussal said that, out of the three important functions of a Co-operative Store Society, one was to supply wholesome food-stuffs to the people and if the Society thoroughly succeeded in that aim they would have done a distinct service to the city. The distributive system had a moralizing influence on the surroundings. If the agents employed by the Society should do their work efficiently and honestly, the men carrying on mercantile operations outside the Society would also try to come up to its level. Much of the success of the Society was due to local Panchayats and the various committees who devoted so much of their time and energy in order to do good to the whole of the community in an ungrudging spirit. The employees also deserved much credit, because they were made to feel that they were not mere employés but that their interests were identical with those of the concern.

Mr. T. S. Subramania Aiyar.

In reading his paper on the essentials of distributive co-operation, Mr. T. S. Subramania Aiyar said that it was generally recognised that Co-operation had made for the promotion of such qualities as thrift, mutual confidence, business habits and powers of initiative

and organisation in its members. He pointed out that, in an unbiased comparison between Credit Societies and Distributive Associations, they could not make out the balance of advantage in favour of the latter, but it was in distributive concerns that the fundamental principle of co-operation was realized, namely, that the principle of justice, not of selfishness, should govern exchanges.

The first and primary essential of distributive co-operation was the pursuit of strict business methods unhampered by false and morbid sentimentalism. It was conceived on the principle of "all for each and each for all."

The second essential of Co-operative distribution consisted in the honorary supervision and willing service of the members. He pointed out that unpaid service in the discharge of duty was the best in the interest of co-operation.

The gradual accumulation of a sound reserve, he said, was the third essential of distributive co-operation. In the conflict of vested and private interests it was the sound reserve that would enable the society to come out unscathed. With the growing popularity of the distributive society the housing problem also would become more and more difficult and could best be solved only with the help of the reserve.

The fourth essential of distributive Societies was the accumulation and application of what was called the common good fund.

The last essential of distributive co-operation consisted in the growing facilities for federation and combination. The guiding principle of action in co-operation should be "service is power".

He concluded by saying that by Co-operation and well directed federation alone could the people allay the dangers and the miseries of the struggle that looms in the future.

Mr. T. K. Hanumantha Row.

Mr. T. K. Hanumantha Row then read his paper on "Co-operation other than credit—the causes and conditions of success." He hoped that now that the new Act II of 1912 had been passed to encourage other forms of co-operation than mere credit, the Registrar of Co-operative Societies would help in the establishment of distributive societies in future.

Other Papers.

Mr. C. Doraiswami Aiyangar, B A., Assistant Secretary, Southern India Chamber of Commerce, then read a very interesting paper on Distributive Societies and market prices and the paper on "Propagandism," sent by Mr. A. S. Ponnuswami Aiyar, B.A., was read by the Secretary of the Society.

Prize Essay.

The Chairman then announced to the meeting that the prize offered by the Society for the best essay on "Kuris, Nidhis ond other indigenous institutions, their co-operative merits and drawbacks" had been awarded by the committee of Judges appointed for the purpose to Mr. K. S. Srinivasa Aiyar B.A., who was then absent and that it would be sent to him in due course.

Chairman's Remarks.

The Hon'ble Mr. P. S. Sivaswami Aiyar in concluding the proceedings of the meeting made a long and interesting speech. He said that when Mr. K. B. Ramanatha Aiyar asked him to preside at that meeting he had consented to do so, not because he felt that he was in any way qualified to make any useful contribution to the proceedings of the day but because he thought that he had very little knowledge upon the subject and he could learn a great deal by coming over there. Looking over the proceedings of last year he found that the gentleman who had presided on that occasion was also one who confessed to a similar state of mental equipment on the subject and he (the speaker) thought it was probably one of the functions of the society to undertake the work of educating backward people like himself in the principles of co-operation. He therefore thought it his duty to avail himself of the advantages so offered; and knowing that Mr. K. B. Ramanatha Aiyar was an enthusiast not merely in the profession of teaching which he adorned but also in the cause of co-operation, he thought he could not do better than place himself under his guidance and surrender completely to his behest by coming there to participate in their proceedings that night.

The expectations with which he came into that hall, of learning a great deal from gentlemen who had been very appropriately described as leading men on co-operation in the city had been amply

fulfilled and they had had some excellent papers read to them by gentlemen who were both specialists and enthusiasts in the cause of co-operation to which they had all listened with great interest and pleasure. Though he had an abundance of faith in the principle of co-operation and though he had read a little and heard a great deal about the success of the co-operative movement in this Presidency—a success which had altogether surpassed all expectations—his faith in the principle of distributive co-operation was not perhaps as strong as his faith in the principle of co-operative credit organizations. But looking at the statement placed before them, showing the progress in the business of the Triplicane Urban Co-operative Society in the several previous half years, one could not help feeling an agreeable surprise at the marvellous progress which that distributive Co-operative Association had made in their midst. Mr. T. K. Hanumantha Row had alluded to a certain Co-operative Society in England which, with a capital of £55,000 sterling had trade transactions amounting to £1,000,000 sterling. The success achieved by the Triplicane Society had been far in advance of the success of the Society in England for in the Triplicane Society with a share capital of Rs. 20,000 business transactions amounted to something like Rs. 2,62,000 in the course of six months. It was a success which might well satisfy the most ambitious exponent of the principle of distributive co-operation. Looking again at the figures showing the amount of the Reserve fund, the common good fund, and the amount given away as dividends they had legitimate cause for gratification and pride.

It was not possible for him to offer any useful suggestions or remarks. He, however, asked permission to place before them a few stray reflections which had occurred to him while listening to the interesting speeches. He noticed a slight feeling of discontent that the movement for distributive co-operation had not spread to the same extent outside the city of Madras and had not achieved the same measure of success and popularity as the movement for co-operative credit.

He also noticed a feeling of irritation upon the subject. He might be quite wrong in the inference he was drawing; but that was the impression left on his mind. Some of the remarks that

were made quite naturally enough dwelt upon the superiority of Societies for distributive Co-operation ever Societies for Co-operative Credit as moralising agents and canvassers for the betterment of Society. The point appeared to him to be a little too abstruse for an outsider like himself. But he should be permitted to say that the movement in the direction of Co-operative Credit in no way deserved to be looked down upon or sneered at whether as a moralising agency or otherwise. They had been told that Co-operative Credit Societies in the mofussal had been financed by what had been called the huge charity organization in the Luz and that the spread of Co-operative Credit Societies in the mofussal was by no means an index of the diffusion of the development of co-operative principles among the people. He begged leave to doubt that statement. It might be that the capital in the case of many of those societies was found by that huge charity organization. But what would have happened if the Central Urban Bank had not come to the aid of those societies. Did they think that private individuals or any other society would have gone to the help of those numerous individual societies that had been started in the mofussal?

He could not help thinking that the success of the numerous Co-operative Credit Societies in the mofussal was generally due to the help which they had received since their birth through advances made by the Urban Bank and other institutions of a similar nature in some of the mofussal stations. It had been also observed by another gentleman that some associations had received help from the State. He did not know whether there were associations which had received State help. Co-operative Credit Societies in the mofussal had managed to get as little State help as possible and had depended upon the Central Urban Bank or other institutions.

Habits of thrift, bnsiness habits and habits of managing associations had all been encouraged and developed by Co-operative Credit Societies. There was one aspect of Co-operative Credit Societies to which reference had not been made and in reference to which those Societies would compare very favourably with the distributive co-operative Societies and to which prominent attention might be drawn, namely the principle of collective unlimited liability of the Credit Societies in the mofussal. A large number of societies

lent money to the members on the principle of collective liability. If that did not mean a large measure of mutual confidence, trustworthiness, knowledge and integrity promoted by the Credit Societies, he did not know how many of them present there would undertake to be liable for an unlimited amount for the defaults or liabilities of their brethren. Judged by that test, it seemed to him that the members of the mofussal Co-operative Credit Societies deserved at least as much credit as the members of the distributive Co-operative Society who contributed a small share capital but left the rest of the business to be managed by the directors who no doubt deserved the highest praise for their self-sacrifice. The cheerful acceptance of the principle of unlimited liability had, in his opinion, a far greater educative value and had got a far more wholesome influence on the development of character than any other feature connected with the movement. As to the results of the co-operative movement in the mofussal, a handsome tribute had been paid to the work of those societies by one who had laboured very hard in that field and who deserved perhaps higher praise than any other worker namely Mr. A. S. Ponnuswamy Aiyar. When he had been at Madura some weeks previously, he was speaking to a number of friends, many of whom were interested in the movement and he was astonished to hear from them of the marvellous success achieved by the co-operative movement in the most unhopeful parts of the district. There were several parts of the Madura District, especially villages inaccessible to railway which are inhabited by the lawless tribes of Kallars who would not have the least hesitation in robbing anybody in broad daylight. Owing to the exertions of a very enthusiastic Deputy Collector Mr. Vedachellam Aiyar, a number of Societies had been started in those Kallar parts in Usilampatti Taluk and elsewhere which had had the effect of completely reclaiming those lawless tribes and of enabling them to abandon their hereditary pursuit and also of turning them into honest citizens. They had been taking a great amount of interest in the management of those Societies. He was told that there had been some conferences held in those parts which were organised and managed most succesfully by the Kallar inhabitants of those villages and that they showed a very considerable capacity for advancing and for maintaining institutions of that kind. That

seemed to him to be one of the most wonderful results of the Co-operative movement and of its moral effects. He had also been told by another friend in Madura that in certain villages, Co-operative Credit Societies were willing to set a part of their earnings for the starting and management of Elementary Schools just as the Triplicane Society was setting apart a portion of its earnings for the common good fund. In portions of the Anantapur and Coimbatore Districts, numbers of schools had been started and maintained with funds set apart out of the earnings of those Co-operative Credit Societies. If only societies of that description were encouraged, it would not be necessary for the people to submit to any education rate for the purpose of advancing Elementary education as suggested in Mr. Gokhale's Bill.

Then again, as had been pointed out by Mr. Ponnuswamy Aiyar and by the other speakers, Co-operative Societies had succeeded in bringing into existence very reliable, influential and independent panchayats in villages in which those societies were working. Considering the amount of moral good done by those societies in putting an end to litigation, as pointed out by Mr. Ponnuswamy Aiyar, in disposing of civil or criminal cases and in creating more harmonious relations between the inhabitants of the villages, he did not think the results achieved by Co-operative Credit Societies in mofussal need be looked down upon or sneered at. He did not thereby mean to underrate the value of distributive co-operation. They should give every institution its due.

Coming to the question of distributive Co-operative Societies he was quite willing to accept what had been claimed for them by Mr. K. B. Ramanatha Aiyar, and by other speakers. He was not quite certain whether they were within a measurable distance of the millennium but he thought those institutions would have the effect of or, at any rate, the tendency to put them on the path towards the millennium. Even if that did not bring them within the reach of or even a measurable distance of the millennium, there could be no doubt that the principle of distributive Co-operation must to a large extent or to an appreciable extent have the effect of counteracting the somewhat sordid influence of the competetive life of ordinary

traders. He wanted to know whether in making the wholesale purchase the society was guided by the principle of paying as little as possible and, in selling the same whether the Society was getting as much as possible. A Co-operative Society or for the matter of that any society could not afford to overlook altogether the principle of buying in the cheapest market and selling in the dearest market. What he would say, might be an anathema to his friends who were such enthusiasts in the cause of distributive co-operation. No doubt the process of higgling in the market—a process by which each individual consumer was trying to obtain the articles he wanted at the lowest price—might be saved for him by the society but had or had not the Society to get its articles from wholesale purchasers at the lowest rates? Looking at the other side of the question, the sale of articles, the articles were sold at the current market rates and those rates were determined by ordinary economic principles, that is, selling at the highest possible price. He would repeat the claims that had been put forward by the speakers in favour of distributive Societies. It was only a substitute for the individual, the only difference being that the individual was saved the trouble of higgling in the market. All the same the Society had to do it and if the Society did not do it he doubted whether it would have stability. In making these remarks, he did not claim any the least authority or desire that they should attach any special value to them. He merely made them as they occurred to him. His ideas might be exceedingly crude on the subject, but he hoped the previous speakers who were specialists in co-operation would correct him.

Again, it was stated that co-operative societies would tend to teach them the principles of a federal Government and decentralised Government. He had no doubt that they would initiate them in a practical way in its principles and prepare them for taking part in the more important problems of general administration. He certainly thought that, in so far as societies of that kind tended to increase in number, they were co-ordinated or federated, and developed habits of acting in concert with the central management, they would be of the utmost possible educative value and that they would be of the greatest possible help to them in preparing themselves for taking a greater and growing part in the general administration of their affairs.

Passing on to other questions, the previous speakers had sought to investigate the causes of the failure of the distributive Co-operative movement to catch the populace to any large extent in the mofussal. He thought the main cause was the want of knowledge of the conditions of such institutions (hear, hear). They would all agree with him in thinking that the one thing which would appeal most to the minds of the masses was the prosperity and the economic gain. The prospects of general improvement in their character or the improvement of their political capacity or business capacity were not considerations which appealed to the minds of the masses. They appealed to students and educated classes and to men who had studied the working of those institutions. So far as the ordinary layman was concerned—the ignorant and uneducated classes in the mofussal—it was not indirect results of that character that appealed to their imagination but results of a more solid character. By that he meant no offence to persons who set a higher value on moral than upon things material. The only way in which those societies could be spread in the mofussal was by adopting Mr. Ponnusamy Aiyar's proposal of sending out missionaries and volunteers in the cause and asking them to start societies on a small scale, demonstrating to the people by the practical working of those societies the benefits arising therefrom in the long run. It was necessarily a work which would take some time but he hoped his friends who were the *pioneers* of that movement in the city would not lose courage at the long time it would take before the principle took root in the mofussal. The only way of dealing with the imperfect knowledge of the people in the mofussal would be to send out enthusiastic missionaries in the cause, like Mr. Hanumantha Row or Mr. Ponnuswamy Aiyar and asking them to start societies here and there even on a small scale, for they were sure to prove instruments for the good of the community among whom they might be established. Reference was made to the question of reserve fund in that Association. It was a perfectly true observation that there was no analogy between societies like the Triplicane Society and Banking institutions. The rules which would apply to the investment of reserve fund in the case of a bank would have hardly any application to Societies for the purpose of distributive Co-operation for carrying on business on lines on which the Triplicane Co-operative

Society was conducted. The requirement of fluid reserve was only intended for societies which would have to meet large, unexpected and sudden calls, but in the case of a Society like this there was no such occasion for any large demands upon its resources and thus, at any rate, to the extent to which its operationswere confined to distributive Co-operation, it would hardly be necessary for them to talk of the same principles. He gathered from the remarks of certain speakers that there was an objection taken to the investment of their reserve funds in buildings. No reasonable person could have any objection to the employmet of the reserve fund of a society, like this, in purchasing houses, but if they carried on any business on the credit side, different considerations might possibly apply.

In conclusion he would ask the specialists who had read such excellent papers that night to bear with his ignorance, a philistine in the subject of Co-operation and to pardon him if he had unwittingly said anything which would have offended them by reason of its crudity or by reason of its inconsistency with the sound accepted principles of Co-operation. He thanked them very heartily for the honour they had done in inviting him to preside on the occasion and to take part in their proceedings.

He was glad that he had had the opportunity of listening to those valuable addresses. He hoped that if ever a time came for him to again attend those proceedings he would assure them that he would come better equipped to take part in their proceedings (cheers).

The Hon'ble Mr. Sivaswami Aiyar was then garlanded.

Vote of Thanks.

Mr. K. B. Ramanatha Aiyar in proposing a vote of thanks to the chair said that he wished to remove the wrong impression created in the minds of certain persons by the papers that had been read In the early Vedic days Rishis used to celebrate the festivals of particular gods. On such occasions those gods were treated as supreme gods and the other gods as their subordinates. Similarly his enthusiastic friends when speaking of their own themes did not see any merits in the concerns of others and he himself was one of

such enthusiasts. It was a good thing that a little cold water was thrown on the heated atmosphere. The Co-operative movement whether on the credit side or the distributive side was to make the economic burden of a citizen and a villager appreciably less and to make the people all round happier. He hoped that the movement would be taken up whole-heartedly by one and all of them and that more people would come forward to preach the movement which though not a religions movement, was calculated to do a great deal of good to all.

The Provincial Industrial Conference, Kumbakonam held on 11th May 1912.

The Provincial Industrial Conference opened its sittings at Kumbakonam on the 11th May 1912 and the following is an extract from the Hon'ble Mr. N. Krishnaswamy Aiyangar's welcome address:—

Indebtedness is the great curse of Indian agriculture and the chief necessity of the agriculturist is cheap credit based on a system of easy payment which will not make him sink deeper. A solution for this had been devised by Government in the adaptation to Indian requirements of the well-known Raiffeisen system. The proposal of the Government was at first received with suspicion as one for extracting money from wealthy natives in order that Government might make a show of benevolence at other peoples' expense." The Co-operative credit system has been in force in this province now and the progress hitherto has been steady, phenomenal and marvellous. The working capital of Urban and Rural Societies at the close of the year 1910-1911 was nearly 30 lakhs and this was invested in loans at an average interest of about 9 per cent. to 23,000 borrowers who but for these Societies would have been paying interest from 15 to 18 per cent. or even more. The moral result is even greater as the agriculturist is not compelled to sell his produce at once for less than the market value to pay his debts but he is able to stock it and sell it to advantage. The Societies now find money needed for their operations readily from private individuals and without

Government help ; and the reserve fund is about Rs. 1×5,000 ; but notwith-standing all this, the progress cannot be said to be commensurate with the needs of the province as there are many places which have not yet come under the operation of the Act and the people there have yet to be educated to the benefits of co-operative credit. There is therefore a wide field in which our educated brethern can employ their talent and attention. The provisions of the law may be very usefully availed of for production and distribution as well. Combined credit, must enable agriculturists to get improved implements, appliances, seed and manure at cheap rates and to put together their produce, so that it may be placed in the market to the best advantage. What the ryot stands most in need of is facility for the introduction of improved methods of agriculture, securing better seed, better class of manure and implements. Some attempts in this direction are no doubt made by some Agricultural Associations, but they are mostly paper Associations either dead or moribund and the few that still exhibit signs of vitality are kept alive, by the efforts of "enthusiastic amateurs" as Mr. Couchman would call them; but even these have done little or no tangible work and the show is yet run by some of them merely from other considerations. These Associations can be made to be of some practical use to the ryot, if they cease to be eleemosynary and become business concerns, based on a practical business basis on the principle of co-operative credit. They need not be dividend paying concerns. And it is not difficult to get in each important centre a few men willing to form themselves into a business Association for the promotion of this important industry of the province, and advance the capital needed for it on a joint-stock basis. Experiments conducted by individual members of an Agricultural Association are looked askance, the results suspected and disparaged and in course of time their enthusiasm vanishes. Sustained effort is necessary in this as in other lines and no Association could continue its effort without funds.

Address by Mr. Joseph English at the Sherburn Hill Society.

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(*Extract from The Co-operative News*)

He believed the co-operative movement to be the most hopeful of all the movements working for social redemption amongst the people, and he warned the young men and women not to be drawn away from the actual and constructive work in which they were engaged within the ranks of the movement by the glamour and fascination of the new social movement characteristic of their time. There was not a movement on the face of the earth that had such promise and potency for the well-being of the people as the movement with which they stood associated, and it was a matter of special gratification that at Sherburn Hill they had a manager and committee who were going to see to it that they stood in no false relation to the wider aspects of the movement. He hoped they were willing to stand shoulder to shoulder with the great masses of the co-operative movement. The movement represented ten millions of the working classes of the country, and they were making more profits, distributing more in education, and were doing more of the real constructive work than any kindred movement the world had ever seen. If the great masses of the co-operative societies in the country had 75 per cent. of the loyalty and good sense that they had in themselves in a constructive policy in which they could themselves engage, in which they became employers of labour, owners of capital, and in which they were concerned in the fullest well-being of the widest number, that was possible and practicable. He congratulated them upon the opening of the new branch at Wheatley Hill. In conclusion, he said he had discovered that the name of the C. W. S. and the name of British co-operation were becoming the subjects of study to the thoughtful men, reformers-social, moral and economic, in every country under the sun. It was opening out a wide field in Africa ; it was stirring a new pulse in America, the home of syndicates and millionaires ; it was setting a

story from the east to the west, and from the north to the south; and if they could live up to the ideals of the famous weavers of Toad-lane of the early fifties, the effort they brought to the movement would send a social pulse to the young of the world, and they would be helping in one of the most important movements ever inaugurated for human betterment (Applause).

PROGRESS OF CO-OPERATION.

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In Other Countries.

(*From the Bulletin of the Bureau of Economic and Social Intelligence.*)

1. Grain-growing.

The grain-growing industry is the most important branch of agriculture in Canada. In 1910 Canada produced 14,99,90,000 bushels of wheat; 32,34,49,000 of oats; 4,51,48,000 of barley and 15,44,000 of rye.

The Federal Seed Branch.

The Dominion Department of Agriculture established in 1902 what is known as the Seed Branch for the benefit of the grain-growers.

The Seed Branch seeks to safeguard the interests of farmers and others by preventing, as far as possible, the introduction and spread of noxious weeds through impure commercial samples and general use of good seed on the farms of Canada as a whole.

Realizing the power of personal persuasion and demonstration in effecting reforms in agriculture and in warning the people of existing dangers, the Branch prosecutes a vigorous educational campaign throughout all parts of Canada and where the Provinces have taken hold of the matter, it co-operates with them whenever necessary or desirable. This educational work usually takes the form of Field Meetings, Seed Fairs, Competitions in standing fields of seed grain, inspecting the plots of members of the Canadian Seed Growers' Association, in assisting with short courses in seed judging and in delivering lectures at farmers' meetings.

The holding of competitions in standing fields of seed grain was inaugurated in Western Canada in 1906. Each succeeding year has shown marked increase in the popularity of these competitions and their effectiveness as a means of agricultural education. The judges in these competitions are officers of the Seed Branch and farmers of wide experience who have made a success of grain-growing in the West. Where it is possible to do so the owners of the fields go with the judges, and with the field for illustration many valuable lessons can be impressed in a manner which will lead to better results in the following seaeon.

Many of the Agricultural Societies now realize the importance of correlating the work of the Seed Fairs and Standing Fields of Seed Grain Competitions, and offer cash prizes, or some special prize, for the grain making the highest total score in both competitions. One Agricultural Society has also made the rule that all grain to be exhibited at the Seed Fair must have been grown on plots entered in Field Competitions.

Seed Growers' Association.

An important Dominion organization is the Canadian Seed Growers' Association. This Association receives financial and other support from the Seed Branch. The main object of the Association is to encourage through combined effort the production and use on the farms of Canada of seed of superior quality and yielding power. To do this, a system of breeding has been adopted which recognizes certain fundamental laws in nature, but which is so simple in operation that any farmer of intelligence can follow it on his own farm and produce high-class seed for his own use and for the trade. Seed grown under the direction and observation of the Association for a certain length of time is accepted for registratiou by the Association as pure bred or registered seed, provided the quality of the sample be such as to warrant such recognition. As a registratiou bureau for seed grown in Canada, it occupies a place corresponding very closely with the bureau of registration for animals.

In the Province of Ontario there are two important organizations connected with grain growing:—The Ontario Agricultural and Experimental Union and the Ontario Corn Growers' Association.

Ontario Experimental Union.

In the year 1880 the Ontario Agricultural and Experimental Union was formed. The objects of this association were to form a bond of union amongst the officers, students and ex-students of the Ontario Agricultural College, to promote their intercourse with a view to mutual information, to

discuss subjects on the wide field of agriculture with its allied sciences and arts, to conduct experiments in this field, in union as far as possible or by individual efforts, to secure the co-operation of the agriculturists of the country in the work, and to meet at least once a year to hear papers read and addresses delivered by competent persons and to report upon the labour of the past year.

In 1886 the members of the Union started the first co-operative experimental work on their own farms. The nature of the experiments was to test the effect of salt, landplaster or gypsum and superphosphate on wheat, oats and barley.

In 1887 attention was also given to the advisability of the co-operative testing of varieties of grain, grasses, etc., which had already given high result in the tests at the College. By the introduction of these new or improved varieties there has been a great increase in the quantity and the quality of the products of the farm. Many standard varieties in general cultivation now throughout the Province were brought to the homes of the farmer through this phase of the Experimental Union work.

The co-operative work of the Union is, to a large extent, the outgrowth of the experimental work done at the College, and it is principally based on the results obtained at the College through a long series of years.

In the spring of each year circulars on the co-operative work are distributed by the agricultural committee appointed by the Union. These circulars give a list of all the experiments for which material can be furnished. They are sent by mail to the members of the Experimental Union; to the experimenters of former years who have done satisfactory work; to leading farmers whose names have been suggested by secretaries of Farmers' Institutes, and inspectors of Public Schools. They are also sent to all the newspapers of the Province. In this way, the work is brought to the notice of a very lrrge proportion of the farmers of Ontario.

The Grain Growers' Grain Company, Limited.

The Grain Growers' Grain Company obtained a charter from the Manitoba Government as a co-operative joint-stock company with shares of the par value of doll. 25.00 and by-laws providing that only farmers could be shareholders and that the holding of each member should be limited to four shares transferable only at the annual shareholders' meeting.

The original charter specified, moreover, that one shareholder should have only one vote. It was found that this feature in the charter was illegal, since the Joint Stock Companies Act created by a higher authority than the

authority granting the charter provided that a shareholder should have a vote on each share of stock he held. In order to have this changed to meet the intention of their charter, the Company applied for and secured the enactment of a special Act of the Provincial Legislature authorising the single vote clause of their original charter.

At the time of organization, it was intended that the co-operative principle should be followed in respect to the division of profits, after a fixed interest had been paid on paid-up capital and a satisfactory amount set aside to reserve. However, after the Company had, with some difficulty, secured membership on the Winnipeg Grain Exchange, the latter objected to the co-operative plan on the ground that it was a violation of one of their rules. It was also found that the Companies Act under which the Company was registered debarred them from this method. The co-operative plan of distributing the profits had, therefore, to be abandoned, but it is the wish of the shareholders to adopt it again as soon as the disabilities can be removed.

The number of farmers holding stock in the Company has been doubled every year, and, at the present time, there are over 8,500 shareholders.

In its first year the Company handled 2,500,000 bushels of grain, cleared a profit of about doll. 800, and paid a cash dividend of 8 per cent. In the year ending June 30th, 1908, the Company handled 5,000,000 bushels of grain and made a profit of over doll. 30,000. In 1908-9 the grain handled was 7,500,000 bushels and the profit made doll. 53,000. In 1909-10, no less than 16,400,000 bushels of grain were handled. The profits amounted to doll. 95,000 of which doll. 50,000 were added to the reserve fund while the balance was paid to the shareholders as a 15 per cent. dividend.

The great bulk of the grain handled is sold to the exporters in Eastern Canada and in the Eastern States, a method found to be much more satisfactory than to sell direct to English buyers.

The Company has succeeded beyond all expectation, in its object of improving market conditions and of enabling the farmer to get more for his grain. The farmer is now able to obtain higher prices and better satisfaction than he could have done a few years ago.

Co-operative Associations for the sale of Agricultural Produce.—The scattered population of the mountain region of Bohemia has no better means of disposing of its produce (milk, butter, eggs, mush-rooms, strawberries, berries etc.) than by selling to middlemen, who, taking advantage of their distance from the market, the deficiency of means of communication, etc., buy them at low prices. As a remedy against this evil, the German division

of the Bohemain Provincial Board of Agriculture has begun to encourage the foundation of a co-operative association at Sablat for the direct sale of the produce of its members, who will thus no longer be dependent upon the middlemen and will themselves receive the entire profit.

Many persons belonging to 16 neighbouring localities have now adhered. The association began to work last June. It puts its butter on the market, protected by a special registered trade mark, "natural butter of the Bohmerwald."

It must be observed that this co-operative institution is the first in this country in which women are members.

If it is successful, quite a network of associations of this character will be established in the Bohmerwald for the liberation of the population from the abuses of intermediate trade and for obtaining better conditions of sale for the producers.

(B) Non-Agricultural Co-operation.

I.—*A Technical Inspectorship for Co-operative Distributive Societies at Milan.*—This inspectorship has been recently instituted by the "Humanitarian Society of Milan" at the Office of Rural Agriculture of this society.

It is intended to assist and to give technical advice to co-operative distributive societies.

Its special aim is :

(*a*) to assist new co-operative societies to establish a technical department, to improve that which is already working and to ensure the regular action of co-operative administrations.

(*b*) to circulate by means of *L' Umanitaria per i Lavoratori dei Campi*, the *Bollettino dell' Umanitaria* and special publications, practical instruction as to the organization of co-operative societies of consumption and their supervision ; as to the purchase of articles of consumption and their purchase, the quality, quantity and price, also the forms of contracts) ; on the more common food commodities, on adulterations and how to discover them, on the methods of preservation, and utilisation of residue and refuse of various articles of consumption, on loss and waste caused by cookery and ageing ; on systems of sale and the modern rapid and certain methods of exercising daily control over the administration of co-operative societies.

In order that the inspection always made free of charge, should have practical and efficacious results, the inspector will go to those co-operative societies which may desire it.

Co-operative Dispensaries.

In Co-operative Distributive Society and in the peoples' bakeries, the co-operative idea was first applied in Belgium. However, out of the 17 co-operative dispensaries founded at the end of 1908 therewere only 6, namely : 1 at Brussels, 1 at Liege, 1 at Ongree, 1 at Soumagne, 1 at Dison, 1 at Verviers. Their turnover amounted to 1,336,235 frs. It was mainly due to two large societies, the turnovers of which realised 785,000 and 400,000 respectively. Of the 6 dispensaries existing, 4 were formed by the mutual societies, 233 in number; amongst them, let us mention, the *Brussels Co-operative Society of Popular Dispensaries.* The capital paid up by the members of these 6 societies amounted at the end of 1908 to 81,041 francs. All the dispensaries sell to outsiders at market prices.

Co-operative Insurance Societies.

At the end of 1908 there were in Belgium 66 non-agricultural co-operative insurance societies : 60 of them had 10,897 members. With regard to their object they may be classified as follows : 32 Fire insurance societies (27 of these in West Flanders) ; 11 life ; 7 accident ; 4 window insurance societies. Three of them provide life annuities and pensions. The premiums collected by 40 co-operative societies in 1908 amounted to 2,557,510 frs. ; the claims paid by 36 co-operative societies to 1,132,821 frs. The capital insured by 38 societies, on the 31st December, 1908, was calculated at 359,315,000 francs. The capital paid up by the members of the co-operative insurance societies amounted to 2,947,148 frs.

IN INDIA.

SOCIETIES REGISTERED BETWEEN 30TH JUNE 1911 AND 10TH JUNE 1912 IN THE MADRAS PRESIDENCY.

Number.	Name of Society.	District.	Taluk.
600	Kumaravadi R. C. S.	Trichinopoly	Kulittalai
601	The Urban Bank Mattigiri Ltd. ...	Salem	Hosur
602	Udaiyapatti Catholic R. C. S. ...	Trichinopoly	Kulittalai
603	Tirutturaipundi Urban Bank ...	Tanjore	Tirutturaipundi
604	Ponneri R. C. S.	Chingleput	Ponneri
605	Sittamur	do.	Madurantakam
606	Kadiri Patnam	Anantapur	Kadiri
607	Charupalli	do.	do.
608	Kadiri Brahmanapalli	do.	do.
609	Vayalpad Sri Pratapa Ramaswami ...	Chittoor	Vayalpad
610	Tarikonda	do.	do.
611	Saydapuram	Anantapur	Kadiri
612	Kuttagulla	do.	do.
613	Mukkundagiri	Chingleput	Madura takam
614	Kalvarpatti	Ramnad	Sattur
615	Pedda Tippasamudram	Chittoor	Madanapalli
616	Madanapalli Kandukuru	do.	do.
617	Kavalepalli	Anantapur	Kadiri
618	Kadiri	do.	do.
619	Kalikiri	Chittoor	Vayalpad
620	Tanakallu	Anantapur	Kadiri
621	Oravandur	Trichinopoly	Namakkal
622	Mohanur Nanjai	Trichinopoly	do.
623	Tiruvallur Urban Co-operative Society	Chingleput	Tiruvallur
624	Marudavallipuram R. C. S. ...	Chittoor	Tiruttani Division
625	Chinnambedu	Chingleput	Ponneri
626	Achcharapakkam	do.	Madurantakam
627	Nellikkuppam	do.	Chingleput
628	Ikkadu	do.	Tiruvallur
629	Chandole	Guntur	Repalli
630	Kilacheri Co-operative Union ...	Chingleput	Tiruvallur
631	Kavanur Puducheri R. C. S. ...	do.	Madurantakam
632	Tirumeshi	do.	Saidapet
633	Katnagallu	Chittoor	Madanapalle
634	Chittoor Mulakalacheruvu ...	do.	do.
635	Chikatimanipalli	Anantapur	Kadiri
636	Govindapadi	Chingleput	Conjeevaram
637	Swamimalai R. C. S.	Tanjore	Kumbakonam
638	Panappadi	South Arcot	Tirukkoyilur
639	Medikurti	Chittoor	Vayalpad
640	Ghattur	do.	Madanapalle
641	Birangi	do.	do.
642	Badikayalapalle	do.	do.
643	Somayajulapalle	Anantapur	Kadiri
644	Malakavemula	do.	do.
645	Gandlapenta	do.	do.
646	Chintaparti	Chittoor	Vayalpad
647	Reddipalli	Anantapur	Kadiri
648	Nallamada	do.	do.

SOCIETIES REGISTERED BETWEEN 30TH JUNE 1911 AND 10TH JUNE 1912.

Number.	Name of Society.	District.	Taluk.
649	Venkarakunta	Anantapur	Kadiri
650	Vaparala	do.	do.
651	Aviyur	South Arcot	Tirukkoyilur
652	Meyyur	do.	do.
653	Avidaiyapuram	Ramnad	Sattur
654	Chinnaiyapuram	do.	do.
655	Mammandur	North Arcot	Arkonam
656	Rajapuram	Trichinopoly	Karur
657	Tirukkoylur Mudiyanur	South Arcot	Tirukkoyilur
658	Nerkunam	do.	do.
659	Kokkudi	Trichinopoly	Udayarpalaiyam
660	Kallagam	do.	Perambalur
661	Malayankulam	Chingleput	Madurantakam
662	Khairevu	Anantapur	Kalyandrug
663	Cherlopalli	do.	do.
664	Injar	Ramnad	Sattur
665	Kunampatti	Coimbatore	Erode
666	Vennanapudi	Kistna	Gudivada
667	Eguvarpalaiyam	Chingleput	Ponneri
668	Peddapudi	Guntur	Tenali
669	Zampani	do.	do.
670	Peddikuppam	Chingleput	Ponneri
671	Somanur	Coimbatore	Palladam
672	Azhisur	Chingleput	Madurantakam
673	The Kerahada Rice Rural C. C. S. ...	Nilgiris	cooncor
674	Valayarkulam	Ramnad	Srivilliputtur
675	Gangaikondam	Tinnevelly	Tinnevelly
676	Tiruvankaramai	Chingleput	Conjeevaram
677	Echchur	do.	do.
678	Srivaikuntam Pudukkottai ...	Tinnevelly	Srivaikuntam
679	Sclai	Chingleput	Tiruvallur
680	Katheveram	Guntur	Tenali
681	Ananganallur	North Arcot	Gudiyattam
682	Vadattavur	Chingleput	Madurantakam
683	Tappay	Trichinopoly	Trichinopoly
684	Kilaiyur George Coronation ...	Tanjore	Negapatam
685	Palaiya Sivaram	Chingleput	Conjeevaram
686	Mudalipatti	Ramnad	Sattur
687	Ayakkudi	Madura	Palni
688	Kosavapatti	do.	Dindigul
689	Sankarapadu	Kistna	Gudivada
690	Panjampatti Catholic R. C. S. ...	Madura	Dindigal
691	Rkombai	do.	do.
692	Reddiapatti	do.	do.
693	Kadavur	Trichinopoly	Kulitalai
694	Vazhudalambedu	Chingleput	Ponneri
695	Mullippadi	Trichinopoly	Kulittalai
696	Nallakavundanpalaiyem	Coimbatore	Erode
697	Tsunduru	Guntur	Tenali
698	Immanivanigudam	Kistna	Kaikalur
699	Devadur	Chingleput	Madurantakam
700	Kavadur	do.	do.
701	Tachchur	do.	do.
702	Arumbakkam	North Arcot	Gudiyatham
703	Mallur	Salem	Salem
704	Peddavirivada	Kistna	Gudivada
705	Agrahara Nattarmangalam	Salem	Salem
706	Guduvanjeri	Chingleput	Chingleput

Societies Registered between 30th June 1911 and 10th June 1912.

Number.	Name of Society.	District.	Taluk.
707	Anikorai	Nilgiris	Ootacamund
708	Brahmana Yerragudi	Cuddapah	Rayachoti
709	Surabhu	do.	Pulivendla
710	Pallavaram Madambakkam ...	Chingleput	Saidapet
711	Ayanambakkam	do.	do.
712	Sembar	do.	Madurantakam
713	Kinarkandigai	do.	do.
714	Kudaravalli	Kistna	Gudivada
715	Kommalamudi	do.	do.
716	Rayachoti	Cuddapah	Royachoti
717	Plakkur	South Arcot	Tindivanam
718	Panikkankuppam	do.	Cuddalore
719	Nichchampalaiyam	Coimbatore	Erode
720	Kunnattur	do.	do.
721	Puvalur	Trichinopoly	Trichinopoly
722	Srimushnam Sri Varaha Raghava ... R. C. S. ...	South Arcot	Chidambaram
723	Vallariveli	Coimbatore	Erode
724	Appaiyanaikkanpatti	Ramnad	Sattur
725	Andukondan	do.	Tiruchuli
726	Sokkanadiruppu	do.	Tiruppuvanam
727	Paramakudi Puttur	do.	Paramakudi
728	Peravaram	Godavari	Rajolu
729	Peddapuram Castle Stuart Stuart ...	do.	Peddapuram
730	Ponnamanda	do.	Rajolu
731	Edarada	do.	do.
732	Penjenda	Kistna	Gudivada
733	Edakkattur	Ramnad	Sivaganga
734	Maichail Patnam	do.	do.
735	Manamadura	do.	do.
736	Somiyarpatnam	do.	do.
737	Pettipalaiyam	Trichinopoly	Namakkal
738	Kuraippettai	South Arcot	Cuddalore
739	Peddivedu	Cuddapah	Rayachoti
740	Hasanapuram	do.	do.
741	Chitlur	do.	do.
742	Singupalem	Guntur	Repalli
743	Vemanda	Kistna	Gannavaram
744	Perumber	Chingleput	Madurantakam
745	Kuruttukkuli	The Nilgiris	Ootacamund
746	Shalur	do.	do.
747	Tuttipattu	North Arcot	Gudiyattam
748	Sittanakkavur	Chingleput	Madurantakam
749	Inam Kilakkoli	do.	do.
750	Vasikavundanur	Salem	Uttangarai
751	Palavdudi	Trichinopoly	Kulittalai
752	Kottur	Ramnad	Sattur
753	Kuttattupatti	Madura	Dindigul
754	Pallikonda Urban Bank	North Arcot	Vellore
755	Silukkuvarpatti R. C. S.	Madura	Nilakkottai
756	Marichelambu	do.	Palni
757	Tolampalaiyam	Coimbatore	Avanasi
758	Manakuppam	South Arcot	Tirukkoyilur
759	Tippirajapuram	Tanjore	Kumbakonam
760	Tubalappatti	Madura	Palni
761	Kodungaiyur	Chingleput	Saidapet
762	Periya Soragai	Salem	Omalur
763	Madakkulam	Madura	Madura

Societies Registered between 30th June 1911 and 10th June 1912.

Number.	Name of Society.	District.	Taluk.
764	Tiaganur	Salem	Atur
765	Buddireddippatti	do.	Uttangarai
766	Mudumpadu	Cuddapah	Rayachoti
767	Tiruppachur	Chingleput	Tiruvallore
768	Ketunayakkanpatti	Salem	Omalur
769	Tenkaraikottai	do.	Uttangarai
770	Tirunilai	Chingleput	Chingleput
771	Maiyur	do.	Madurantakam
772	Vangimalla	Cuddapah	Rayachoti
773	Koduvayar	Malabar	Palghat
774	Goralamudivedu	Cuddapah	Rayachoti
775	Ramaiyampatti	Salem	Uttangarai
776	Tisundupalli	Cuddapah	Rayachoti
777	Nangavalli	Salem	Omalur
778	Resipuram Pattanam	do.	Rasipuram
779	Viraganur	do.	Atur
780	Gangavalli	do.	do.
781	Sirumadurai	South Arcot	Tirukkoyilur
782	Paiyur	do.	do.
783	Manampundi	do.	do.
784	Valancheri	Malabar	Ponnani
785	Perumudiyur Karshaka Chintamani...	do.	Walluvanad
786	Rayavaram	Cuddapah	Rayachoti
787	Peddimenikalva	do.	do.
788	Sodiyampakkam	North Arcot	Cheyar
789	Polavur	Chingleput	Conjeevaram
790	Sellampattadai	do.	do.
791	Kirikera	Anantapur	Hindupur
792	Tiruppulivanam	Chingleput	Madurantakam
793	Konnur	do.	Saidapet
794	Arukatturai	do.	Ponneri
795	Namakkalpalaiyam	Coimbatore	Erode
796	The Namakkal Mettupalaiyam ...	Trichinopoly	Namakkal
797	Karugudi	do.	do.
798	Palli	North Arcot	Cheyar
799	Menallur	do.	do.
800	Nenmeli	Chingleput	Chingleput
801	Punnai Puduppalaiyam	North Arcot	Cheyar
802	Reddivaripalli	Cuddapah	Rayachoti
803	Timmasamudram	do.	do.
804	Jaladiurgam	Kurnool	Dhone
805	Kavantandalam	Chingleput	Conjeevaram
806	Mannarai	Coimbatore	Palladam
807	Poygai	North Arcot	Vellore
808	Madakasira	Anantapur	Madakasira
809	Kattandapatti	North Arcot	Tiruppattur
810	Pennalurpatti	Chingleput	Tiruvallur
811	Gunipalaiyam	do.	do.
812	Gudiyattam Urban Bank ...	North Arcot	Gudiyattam
813	Neykkulam R. C. S.	Trichinopoly	Musiri
814	Siruganur	do.	do.
815	Rasipalaiyam	Coimbatore	Palladam
816	Velampalaiyam	do.	do.
817	Chingleput Mamandur	Chingleput	Madurantakam
818	Gunjapalle	Anantapur	Kadiri
819	Mudigubba	do.	do.
820	Chouluru	do.	Hindupur
821	Polukallu	Kurnool	Kurnool

Societies Registered between 30th June 1911 and 10th June 1912.

Number.	Name of Society.	District.	Taluk.
822	Guduru	Kurnool	Kurnool
823	Mangodu	North Arcot	Wallajah
824	Veppilaipatti...	Ramnad	Sattur
825	Kottunattam	do.	do.
826	Sonabattu	Chingleput	Ponneri
827	Julakallu	Kurnool	Kurnool
828	Viragalur	Trichinopoly	Trichinopoly
829	Michael patti	Tanjore	Tanjore
830	Vanarangudi	do.	do.
831	Tirukkattupalli	do.	do.
832	Sattanur	do.	do.
833	Maruvur	do.	do.
834	Tiruvadi Teachers	do.	do.
835	Tanjore Town Teachers U. C. S. ...	do.	do.
836	Vinjaram	Kistna	Kaikalur
837	Bontalapalli	Anantapur	Kadiri
838	Mudaliyakkavundanvalasu ...	Coimbatore	Erode
839	Simmavadi	Ramnad	Sattur
840	Kattarambakkam	Chingleput	Saidapet
841	Sirukalattur Kavanur	do.	do.
842	Saidapet Kunnattur	do.	do.
843	Kondamudusupalam	Nellore	Kandukur
844	Belegal	Kurnool	Kurnool
845	Anmarudai	North Arcot	Wandiwash
846	Raghunadasamudram	do.	do.
847	Kalavai	do.	Wallajah
848	Neman	Chingleput	Saidapet
849	Nallur	Trichinopoly	Namakkal
850	Para Padavedu	North Arcot	Gudiyattam
851	Katpadi	do.	do.
852	Kolappanjeri	Chingleput	Saidapet
853	Edayampudur	do.	Madurantakam
854	Inam Karumpakkam	do.	Saidapet
855	Periyakottai	Ramnad	Sivaganga
856	Vembattur	do.	do.
857	Pottakurichi	South Arcot	Kallakurichi
858	Siripudi	Guntur	Repalli
859	Repalli Nalluru	do.	do.
860	Voleru	do.	do.
861	Nadimpalli	do.	do.
862	Tirupparankunram	Madura	Madura
863	Kumaripalaiyam	Trichinopoly	Namakkal
864	Kallakurichi Karunguli	South Arcot	Kallakurichi
865	Golivapalli	Kistna	Gudivada
866	Kottalanka	Godavari	Amalapuram
867	Takkellapadu	Kistna	Kaikalur
868	Prattipadu	do.	do.
869	Ayyavarirudravaram	do.	do.
870	Vemavarappadu	do.	do.
871	Tamarakollu	do.	do.
872	Kamasamudram	Cuddapah	Pulivendla
873	Bidinamcherla	do.	do.
874	Lomada	do.	do.
875	Valivarthipadu	Kistna	Gudivada
876	Appikatla	do.	do.
877	The British Cochin U. Bank ...	Malabar	Cochin
878	Kuzhalmannam	do.	Palghat
879	Nerur	Trichinopoly	Karur

Societies Registered between 30th June 1911 and 10th June 1912.

Number.	Name of Society.	District.	Taluk.
880	Odayanachchi	South Arcot	Kallakurichi
881	Salai Iluppaikulam	Ramnad	Manamadurai
882	Tusur	Trichinopoly	Namakkal
883	Panchamadevi	do.	Karur
884	Mudalcheri	Tanjore	Pattukottai
885	Paramanattam	South Arcot	Kallakurichi
886	Panaikkudi	Ramnad	Manamadurai
887	Ulakkudi	do.	do.
888	Kenavaipatti	Madura	Tirumangalam
889	Ayodipatti	do.	do.
890	Vagurani	do.	do.
891	Kuruvilampatti	do.	do.
892	Egattu	Chingleput	Tiruvallur
893	Perumalagaram	do.	Saidapet
894	Konnur	do.	do.
895	Kavundanpalle	Madura	Tirumangalam
896	Vilampatti	do.	do.
897	Tiruchengode	Salem	Tiruchengode
898	Pallanallur	do.	Salem
899	Kodime	Anantapur	Anantapur
900	The Madras City Co-opeve. Bank Ltd...	Madras	Madras
901	Yeddalaiyyagri Kottapalle ...	Cuddapah	Pulivendla
902	Sinhadripuram	do.	do.
903	Tatjvarru	Kistna	Gudivada
904	Iluppai	North Arcot	Cheyyar
905	Irudaiyampattu	South Arcot	Kallakurichi
906	Brahmakundam	do.	do.
907	Kaduvanur	do.	do.
908	Poraviyakkavundan Valasu ...	Coimbatore	Erode
909	Lingappanayakkanur	Madura	Tirumangalam
910	Villani	do.	do.
911	Apparascheruvu	Anantapur	Dharmavaram
912	Tummalapalli	Kistna	Gudivada
913	Venkunam	North Arcot	Wandiwash
914	Elapakkam	do.	Cheiyar
915	Irumbedu	do.	Wandiwash
916	Udumalapet Urban C. S.... ...	Coimbatore	Udumalapet
917	Perunguli	Tanjore	Papanasam
918	Tittankulam	Tinnevelly	Kovilpatti
919	The Trichinopoly 8th Ward Co-operative Credit Society Ltd. ...	Trichinopoly	Trichinopoly
920	Kilperumanallur	Chingleput	Conjeevaram
921	Sennirkuppam	do.	Saidapet
922	Mambalam Co-operative Society Ltd...	do.	do.
923	Chilekampalli	Cuddapah	Pulivendla
924	Karur Town Bank	Trichinopoly	Karur
925	Kiliyur	Tanjore	Nannilam
926	Sulamangalam	do.	Papanasam
927	Koranattu Karuppur	do.	Kumbakonam
928	Virupakshipuram	do.	Papanasam
929	Adichchamangalam	do.	do.
930	Kunniyur	do.	Negapatam
931	Vanjiyur	do.	do.
932	Tiruppundi Mela Setti	do.	do.
933	Kallikudi	do.	do.
934	Mangudi	do.	do.
935	The Mangalore Catholic Co-operative Credit Society Ltd.	S. Canara	Mangalore

(From the Co-operative News).

Bishop on Co-operation.

The Bishop of Bath and Wells visited Holy Trinity Church, Bath, on Sunday evening, March 10th, where he referred to the Coal strike, in which he strongly urged the principle of co-operation, taking for his text St. Paul's Epistle to the Ephesians, "We are members one of another." He said he believed that in the great trouble with which the country was confronted, if only the principle of co-operation could have a chance of making its way in England, it would do more than any other principle he knew of to solve the difficulties that were sure to be recurring continually unless society could be put upon some sound and true basis in which the interests of both parties became identical. What would be the gain? they asked. There would be a more level distribution of wealth, there would de no great fortunes made, and also no rapid fortunes made, but there would be a general elevation of all those who were concerned in the work of carrying out such a principle, also a higher tone prevailing between all classes concerned. Furthermore, there would be a gain in the greater excellence of the work accomplished, because it was easy to see that a man would work at his best, and not his second best.

Children's Co-operative Classes.

Mr. Young (Ashington), a very successful teacher of Children's classes, gave an address on "Children's Classes: Their Place in the Co-operative Movement." He said : Our work as teachers convinces us that we are training the sons and daughters of our members so that they may have some backbone, or standing for their ideas when they are making homes for themselves. Doubtless many of us are co-operators because our parents were such, and had we been asked why we joined a co-operative society, we would have had no further reference to fall back upon than parental leanings. In a society whose educational committee is of the truest comtainly no co-operative society at the present time should be so niggardly as to stifle the "cry of the children" for the sake of a fraction on the dividend. Economy was certainly bad when it set more value upon finance than upon the advancement of the human being. No other organisation had a better opportunity to strengthen these reinforcements for a universal bettermene than ours, and it will redound to our credit much more than an elaborately-designed placard in our shop windows of sales and dividend.

Michael Angelo used to say, as the chippings fell thick and fast on the floor of his studio, "while the marble wastes, the image grows" which means, if we intérpret it correctly, a wasting of self, a chipping away of the things that are dear to human nature (even dividend), if the things that are true and pure and just are to be allowed to envelop our children in our ideals. We are building up a citizen army for peace and concord, and it becomes incumbent upon those of us who boast of our patriotism to earnestly work that the rising generation may be noted for the characteristics of good citizenship and co-operative brotherhood.

I hold no brief for a constructive system to make our children's classes a more potent power for good, yet I feel that we are able to do infinitely more to help them to realise that they are the hope of the future, and their growth can be retarded in an environment that is continually erecting the mud-huts of dividend when it might be raising a mansion much more stable for future generations.

(From the Co-operator).

The Scawby Credit Society.

Of the forty-four Agricultural Co-operative Credit Societies now in existence in England and wales, the Scawby Credit Society is the oldest. It may therefore justly claim to be the pioneer in this country of the movement for enabling small agriculturists, by combining their credit, to obtain small loans for agricultural purposes on easy terms; and it has satisfactorily achieved its object, and has now attained a sound financial position, an examination of its history may not be without profit to younger credit societies, or to agriculturists who feel the need of some such means of obtaining credit on more favourable conditions than are at present available to them.

Scawby is a rural parish in Linconshire, about two miles from the market town of Brigg. It has a population of about 1,000 and an acreage under crops and grass of 2,825 acres, of which twothirds are under crops, and onethird under grass. The land is held in thirty-nine holdings, of which twenty-six are under fifty acres each. A number of the small holders has other occupations besides agriculture. There is no other local industry, and the parish is typical of many other country parishses in England.

On July 3rd, 1894, after a public meeting had been held under the chairmanship of Mr. Sutton Nelthorpe, the principal landowner in the parish, and had been addressed by Mr. H. W. Wolff, a leading authority on the co-operative Credit, and by Mr. Leman, Secretary of the Agricultural Banks Association, it was resolved to form an Agricultural Credit Society for the parish of Scawby. Further meetings were held to discuss the proposed rules, and the society was finally registered under the Friendly Societies Act on November 1st, 1895.

The society started with nine members, but by the end of 1895 there were twenty. The number of members has since risen gradually until at the end of 1910 there were thirty-two, of whom eleven were small farmers three market gardeners, three blacksmiths, and two carpenters, besides a butcher a horse-dealer, a carter, a woodman, aminer, a foreman and two labourers, most of whom, in addition to their main occupations, cultivate small holdings or allotments. The affairs of the society are managed by the Chairman and a Committee of six, annually elected by ballot at the general meeting. They at present consist of three small farmers, a carpenter, a blacksmith, and a woodman.

The financial position to which the society has attained, as disclosed by its balance sheet at the end of 1910 is highly satisfactory. It then possessed altogether £ 255, of which £ 153 had been lent out to members, and the remainder, which was in excess of the amount then wanted on loan by members, was mainly deposited with the Central Co-operative Agricultural Bank, Ltd., at 3 per cent interest. Its surplus profits or reserve fund amount to nearly £ 65. It has acquired such good credit in the neighbourhood as to obtain on deposit all the money its members require as loans and its members can borrow the capital they want for agricultural purposes at the low rate of 5 per cent per annum, or one penny per £ per month. Few agriculturists in England can borrow at a lower rate than this.

In 1910 the reserve fund equalled one-third of the total amount of the loans granted, and it is being added to at the rate of over £ 5 a year.

It will thus be seen that the Scawby Credit Society, besides being the poineer Agricultural Credit Society in England and Wales may well be taken as a model of good and successful management by small agriculturists who wish to combine their personal credit and so obtain loans for their agricultural operations at a low rate of interest.

The Kilacheri Co-operative Grain Bank, Ltd.

No. 969.

The Kilacheri Co-operative Grain Bank, Limited, in the Conjeeveram Taluk of the Chingleput District was registered as co-operative society No. 969 on the 31st of May 1912. The object of the society is to help poor agriculturists by advancing grain to them when they are most in need of it *i.e.* during the cultivation season and to recover it when they may be expected to have enough *i.e.* during the harvest season. So many applications for grain banks have been received from different parts of the presidency that it can no longer be doubted that there is a real need for them. It has not however been possible to register such societies as applications came in

because asa rule applicants do not seem to be aware of the difficulties attending the successful working of such a bank. First of all there must be available for each bank one or more willing workers ready to devote their time and energy for the express object of promoting the good of the poorer agriculturists and secondly adequate provision must be forthcoming for the custody and preservation of the grain store. Custody of goods is the stumbling block of co-operation. The custody of money is difficult enough but money in hand can generally be reduced to a minimum whereas in other walks of co-operation custody of goods of a more or less protracted period becomes necessary and risks of depreciation should not only be guarded against in a general way but should as far as possible be covered by insurance in some definite form.

Model by-laws of grain banks are printed elsewhere in this number of the Bulletin. The Registrar will be glad to consider applications for such institutions if they proceed from men who have already shown themselves to be earnest and willing co-operators.

The Mambalan Co-operative Society, Ltd.

No. 922.

The Mambalam Co-operative Society, Limited, No. 922 is the second productive society registered in this province. Besides producing gingeey oil, the commodity dealt with by this productive society, it has placed before itself the objects of purchasing and owning land in the village of Mambalam, in the Saidapet taluk of the Chingleput district with a view to selling sites with or without buildings thereon to members desirous of living in healthy surroundings within easy reach of Madras. The capital of the society is to be Rs. 20,000 divided into 400 shares of Rs. 50 each. The operations of the society on its building side will be watched with interest by the public of Madras. The Registrar hopes that the society will work with success. The hope is well founded because the prime movers of the society namely Messrs. V. S. Ramaswami Sastry, T. Natesa Aiyar and Dr. C. V. Krishnaswami Aiyar have had considerable experience in co-operative work as members of the Directorate of the Triplicane Urban Co-operative Society.

A Co-operator's services recognized.

We understand that Mr. Mahomed Sheriff, Secretary of the Gudur Rural Credit Society was awarded a certificate as a good co-operator at the Coronation Durbar held by the Collector of Nellore.

REVIEWS.

The following in as extract from the Speech of the Kumara Raja of Chapalle quoted with appreciation in the January number of the *Agricultural Journal of India*.

It appears to be true that the ryot realises much profit now adays from the produce which he raises in his land owing to the prevelance of high prices, after deducting the necessary agricultural expenditure; but it is equally true that he lays by very little. Under these circumstances some additional drain on his purse comes in, in the shape of performance of a marriage or other ceremonial to some nmember of the family; construction of substantial buildings for his own use or that of his cattle; incurring the necessary medical charges if a member falls sick; meeting the expenses of a ruinious suit; or of spending money for the expenses of cultivation. When such contingencies arise, he is perforce driven to the clutches of the sowcar or money-lender, to meet this extraordinary expenditure by borrowing at a usurious rate of interest, ranging from 12 to 36 per cent. When once a ryot contracts a debt, however small it may be, he will be postponing repayment until he finds himself heavily involved. To free the ryot from the thraldom of indebtedness and of the prementioned evils, the best remedies appear to be the development of Co-operative Credit Societies; the introduction of the Panchayat system; the extension of high ideals of life and sympathy; and creation of mutual trust, confidence and conciliation.

The benevolent British Government have not been slow. from time to time, to feel the responsibility of rendering help, or in ot herwords of mitigating the baneful consequences of indebtedness so far as it could, for which several enactments have been devised. In times of distress and want, the Government lent money on easy terms of repayment for the purpose of sinking wells, repairing tanks, and for the general expenses of cultivation. They had a special Agriculturists' Relief Act in the Deean, from which the

ryots did not derive much benefit. There used to be a Usury Law at the beginning of the last century to protect them from a high rate of interest, but it was repealed as its application did not bring any relief to the peasant, as the moneylender employed all sorts of stratagems to defeat the purpose of the Act. All these efforts having ended in failure, the Government of Madras appointed, in 1892, Sir Frederic Nicholson, to make a tour in foreign countries with a view to see how they solved this problem to and to suggest some seheme fit to be introduced into this country. On his presentation of a scheme and after much correspondence, the Act X of 1904, the Co-operative Credit Societies Act was passed. Since then the popularity of the measure is best seen in the annual increase of societies.

CORRESPONDENCE.

Mr. H. Wolff's letter dated March 20th 1912.
Received by the Registrar of Co-operative Societies Madras.

My Dear Sir,

I write to thank you very much for your kindness in sending me your last Annual Report, which I have read with the most lively interest and satisfaction.

I congratulate you upon your progress and sincerely compliment you upon the admirable way in which you have explained the object of Co-operative Credit and its results.

Please do not consider that the granting of loans for steel things as marriage requires any apology. Where-ever the panch ayat consider the circumstances appropriate, it is notonly legitimate but commendable. It effects a saving—which is as good as being productive, for "a penny saved is a penny got"—and it trains people to more economical expenditure.

I am so glad that you can do virtually without Government money.

The extention of control and supervision is likewise a distinct gain.

But there is danger in your unions in that one society makes itself answerable for others. Each society ought to stand upon its own bottom, and its liability to the central Bank ought to be limited.

There is nothing actually opposed to Raiffeissen principles in small shares, provided that they do not shut out people who are entitled to help. People in India seem to like shares. But they also seem to like unlimited liability, which has a morally training

effect beyond its financial effect. I am glad that your people take by preference to small shares. It stamps the movement a movement for the poor. The Rule which you mention in para. 64 * is most desirable.

On the whole I am delighted with the way in which the movement is, thanks to a right appreciation of the principle by most of the Registrars, progressing in India. I hope that you will kindly continue to send me your Report. I am looking forward to hear as to what has been done to amend the Act of 1904? also a Report of your last conference.

Believe me, Dear Sir.

Reform Club,
Pall Mall. S. W.
March 20th 1912.

Yours very faithfully,
(Signed) HENRY W. WOLFF.

* Sc. about not dividing the Reserve Fund under any circumstances.—Ed.

GLEANINGS.

A resolution passed at the Provincial Industrial Conference, Kumbakonam on the 11th May 1912.

"That in view of the success that has attended the establishment of Co-operative Credit Societies in the Presidency, the Government be requested to increase the staff of Deputy Collectors, so that operations might be extended to other distr'cts and the numerous applications for forming new Societies now pending may be disposed of without unnecessary delay and that special efforts be directed to extend the benefits of the Co-operative movement to the weaving community which is in much need of help."

A resolution of the Coimbatore District Bank.

The following resolution passed at a meeting of the Directors of the Coimbatore District Urban Bank, Ltd., on the 11th April 1912 will be read with interest.

Resolved that interest be paid at 6% on Reserve funds of Co-operative Societies deposited with the Bank from 1st April.

Model Bylaws.

(Based on the bylaws of the Kilacheri Co-operative Grain Bank Ltd. No. 969.)

The ..... Co-operative Grain Bank, Limited.

(Society No. .....).

By-LAWS.

Name, address and object.

The Grain Bank is registered as a Co-operative Society under India Act II of 1912. Its address shall be village, Post in the Taluk of the District. Its operations shall be confined to the village.

2. The objects of the Society shall be to collect grain as shares from members to borrow grain or funds for the purchase of grain, to grant advances of grain to such members as may require the the same and to encourage thrift, self-help and co-operation among the members.

Members: their liability.

3. Any person over 18 years of age and of sound mind, residing in the village mentioned in by-law 1, shall be eligible for admission as a member, provided, however, firstly, that no person can claim admission as a matter of right and secondly, that every member shall be an agriculturist either owning lands or cultivating lands.

4. Applications for admission and allotment of shares shall be disposed of by the Panchayat who may either grant an application or reject it without assigning reasons.

5. The liability of a member shall be limited to the share capital subscribed by him.

6. No member shall be permitted to withdraw from the Society within five years after admission. But he may withdraw after such period, after giving notice in writing to the Panchayat, provided that there are no debts due directly by him to the Society and provided also that there are no debts due to the Society in regard to which he has stood as surety. When a member withdraws under this by-law, he shall be given back the grain actually contributed by him as his share.

7. Should a member cease to be eligible for membership at any time, the Panchayat shall remove his name from the list and shall pay him back the grain actually contributed by him as his share, after deducting therefrom the equivalent of the grain or moneys, if any, due by him to the Society.

8. If a member dies, then should his heir or successor in interest be eligible to be a member of the Society and should the Panchayat see no objection to admit him as a member, the Panchayat may admit him as a member. If such heir or successor-in-interest be unwilling to join as a meber, or if the Panchayat be unwilling to take him as a member, the Panchayat shall pay him the grain actually contributed by the deceased, after deducting therefrom the equivalent of the grain or moneys, if any due by the deceased to the Society.

9. (*a*) The liability of a past member, to the extent laid down in by-law 6, for the debts due by the Society, as they existed on the day when he ceased to be a member, shall continue for a period of two years from such date.

(*b*) The estate of a deceased member shall be liable, to the extent laid down in by-law 5 for a period of one year after his decese, for the the common debt of the Society as it existed at the time of his decease.

Grain.

10. The Bank will carry on transactions only in the following kinds of grain, namely,

11. Shares should be paid into the society only in (name kind of grain) ; when shares are repaid, the grain should be of same variety.

12. Loans of grain should be repaid in the varity of grain borrowed: there is however no objection to repayment of inferior grain by superior. If a person who borrows should not reap a harvest of that grain, he may repay in the shape of any of the other grains referred to in by-law 10, provided that the quantity corresponds to the value for the time being of the grain due from him.

13. The varieties of grain referred to in by-law 10 shall be placed in the following order according to their value:—

Shares.

14. The Capital of the Bank shall, for the present, be made up of shares of each. Each share shall be paid in

15. In these by-laws the word means measures of tolas each in accordance with the Standard accepted by the Madras Government.

16. Every member shall take at least one share, but no member shall take more than shares. A member may at any time increase, with the sanction of the Panchayat, the number of shares held by him up to shares the maximum laid down in this by-law.

17. No member shall be permitted to transfer any share or shares held by him to another.

18. Every member shall pay an enterance fee of four annas when he becomes a member.

Borrowings by the Society.

19. It shall be competent to the Panchayat to borrow money on behalf of the Society, either from members or from persons ether than members or from other Societies in order to purchase grain when it is cheap and to settle the terms of such borrowings, provided, that the interest payable on borrowings shall not at any time exceed 7½% per annum. This by-law shall apply *mütatis mutandis* to borrowings in grain. The aggregate indebtedness of the Society to non-members shall not, at any time, exceed Rs.

Loans.

20. Applications for loans shall be disposed of by the Panchayat. Loans shall be given only to members, but no member can claim a loan as a matter of right.

21. A member who has taken the maximum number of shares allowod by by-law 16 shall at no time be indebted to the Bank by way of grain borrowed to the value of more than Rs. on account of any loan or loans taken by him. One who has taken only one share shall not be indebted to the extent of more than Rs. and so on in proportion up to the maximum. The value of the grain for the purpose of this by-law shall be that fixed at the time of borrowing.

22. Loans may be granted at the discretion of the Panchayat either on the sole responsibility of the borrower or on the joint and several responsibility of the borrower and one or two other members standing sureties for him.

23. Every borrower shall return the grain borrowed by him with interest according to the rate prescribed in by-law 24 before the 30th of the month of (here enter if necessary a month of the Indian Calendar) following. It shall, however be competent for the Panchayat to recover the grain loan before the due date (30th of) if he should have reaped a harvest before that date and if has no chance of getting in another harvest before that date.

24. The interest on grain borrowed shall be charged at the rate of measures for each

25. The borrowing member shall repay in grain *dried and freed from chaff* and in the place fixed by the Panchayat. The Panchayat shall have absolute discretion to declare whether the grain returned is dry, free from chaff or dust and is otherwise of good quality, and their decision in this matter shall be final. When grain is thus rejected for any of the reasons mentioned, the borrower should replace it by grain free from the defects objected to by one Panchayat.

26. When the period for repayment of a loan as laid down in by-law 23 has expired, the loan account shall at once be closed and the panchayat shall inform the

borrower of the fact, as well as of the amount of the loan outstanding against him with the amount of interest up to date of closing the loan account. If the total grain so found due is not paid within 15 days after closing the loan account, steps shall be taken without delay to recover the dues by process of law.

27. Should a borrower fail, for 10 days after the last harvest preceding the 30th of , to repay the grain borrowed by him, the Panchayat may send a clerk to to collect the same from him. On grain so collected a penalty of shall be levied for each . If, owing to unforeseen difficulty which he has satisfactorily explained, the borrower is prevented from returning the grain before expiry of the ten days above referred to, the Panchayat may grant him an extension not exceeding ten days.

Management.

28. The ultimate authority in all matters relating to the administration of the Society shall be the general assembly which shall meet from time to time to conduct the work of the Society. The following among other matters shall be dealt with by the general assembly:—

(1) The election of the Panchayat;

(2) The Annual Report due to the Registrar of Co-operative Societies;

(3) The Registrar's annual audit order;

(4) The amendment or repeal of any existing by-law or the enactment of a new by law:

(5) The expulsion of a member;

(6) The consideration of any complaint which any individual member may prefer against the Panchayat.

29. It shall be the duty of every member to attend the meetings of the general assembly. The quorum for a general assembly shall be one-half of the total number of members, which total shall never be less than ten. Every member present shall have one and only one vote. All questions shall be decided by a majority of votes of the members present and voting, the President or other presiding membtr having a casting vote in case of an equality of votes.

30. No amendment to, alteration in, or cancellation of a by-law, or enactment of a new by-law shall be made without the previous sanction of the Registrar of Co operative Societies. When the by-law altered or amended relates to the nature and extent of the liability of members for the debts contracted by the Society, the alteration or amendment shall not be valid until it is also approved of by Government.

31. Within fifteen days after the close of the Co-operative year ending 30th June, the Bank shall prepare (1) a statement showing the receipts and disbursements during the past year and (2) a statement showing the assets and liabilities as they stood on the last day of such year. These two statements shall be submitted to the Registrar without delay. After the Registrar has verified these two statements and granted his audit certificate, the Bank shall publish the statements in a manner approved of by the Registrar.

32. Subject to such resolutions as the general assembly may, from time to time pass, the executive management of the affairs of the Bank shall vest in a Panchayat, consisting of not more than five members, who shall elect from among themselves a President and a Secretary. It shall be the duty of the Secretary to maintain the accounts of the Bank and to carry out the resolutions of the Panchayat.

No decision of the Panchayat shall be valid unless it is passed by at least three of its members. Members of the Panchayat shall be elected by the general assembly for a period of two years. Interim vacancies shall be filled up by the Panchayat.

33. Every member will be furnished with a pass book, in which all reciepts from, and disbursements made to him shall be entered. For monies borrowed from non-members or other societies, the receipt or bond shall be executed by at least three members of the Panchayat of whom the Secretary or President shall be one.

34. It shall be the duty of the Panchayat to safeguard the grain collected, to canvass members, to grant loans to them and to do all other business connected with the Bank.

35. The Panchayat shall work gratuitously, but any expenses actually incurred by them in doing the work of the Bank may be debited to the Bank.

Protection of the Grain.

36. Any two trustworthy residents of taking interest in the Bank may be selected to be the guardians of the Bank. To show that they are really interested in the progress of the Bank they should each deposit at least . This will carry no interest. They should see that the grain of the Bank is stored safely, that the accounts of the Bank are duly maintained, and should now and then advise as to the safe custody of grain. When these guardians sever their connection with the Bank, the grain deposit made by them will be returned to them. They shall not profit by the gains of the Bank nor be liable for its losses except so far as such loss may have been brought about by their neglect of duty.

37. It shall be the duty of the Panchayat to see that grain is stored safely; all members are bound to assist the Panchayet in this work.

38. When assistance is required for preventing any injury to the store, all members are bound to render it.

39. The conduct of any member who fails to give reasonable help either in building the store or in preventing harm to it, shall be placed before the next meeting of the general body, who, if they deem fit, may have his name removed from the list of members. The Panchayat may also recover from him any loss incurred by the Bank owing to his failure to discharge his duty under this by-law.

40. The entire net profits of the Bank, as declared by the Registrar of Co-operative Societies year after year, shall be deposited to the credit of the Reserve Fund. The reserve fund shall be one and indivisible. It belongs to the Society as a whole. No member can claim a specified share in it. It shall be the common property of all. It shall be sold from time to time either to the Bank itself or to outsiders and the value invested either in the union or elsewhere as directed by the Registrar. In the event of the dissolution of the Society the reserve fund shall be devoted to some object of permanent utility in the village in accordance with the wishes of the majority of members then existing. Such object shall, if practicable, be one calculated to promote the improvement of agriculture.

Miscellaneous.

41. If a member deceives the Society in any way, or if his general conduct is such as to render his removal necessary in the interests of the Society, it shall be open to the general assembly to expel such member. An expelled member shall be required to pay at once all grain or monies due by him to the Bank. A member who drives the Society to court to recover money or grain due from him shall for that reason alone be expelled from membership. The liability of an expelled member to the extent mentionen in by-law 5 for the common debt of the Society, as it stood at the time of his expulsion, shall continue for a period of two years after such expulsion.

42. After the store is built, at least one member of the Panchayat and two ordinary members should be present at the time of sealing it up; the same course shall be adopted when the store is re-opened. The members so present shall actually verify and enter in the accounts of the Bank the exact quantity and the condition in their opinion of the grain then in store, and may if necessary employ an appriser for the purpose.

43. All suits filed hy the Bank shall be in the name of the Secretary.

44. It shall be the duty of the Panchayat to purchase grain when it is cheap: —*i. e.* oridinarily at the time of harvest. They may also sell what remains after members have received loans, retaining the guantity necessary for payment of interest or principal on account of the borrowings of the Bank.

45. The Panchayat may make subsidiary rules for the conduct of the business of the Society, such as for fixing the rate of dryage to be allowed for the different grains, for keeping the premises or their contents insured, for payment of fees to an appriser at the time of audit or inspection, etc. Such rules shll be entered in the minute book of the Bank.

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The Madras Bulletin of Co-operation.

Vol. IV. 10th SEPTEMBER 1912. No. 1.

The History of the Co-operative Movement in India.

By M. R. Ry. Rao Sahib K. Vijayaragavachariar Avl., M. A.

III

Number and kinds of societies.

The first Registrar joined his appointment in July 1904. From his knowledge of the country he knew that the best way to reach the people at least in the beginning was through educated and enlightened gentlemen who possessed local influence. Luckily for the movement, such gentlemen were amply available. The first to come forward to the help of the Registrar was M. R. Ry. Rao Bahadur (now Hon'ble Diwan Bahadur) M. Adinarayana Aiya, retired Settlement Deputy Commissioner and a land-holder in the Chingleput District. This gentleman has ever been ready to devote his time and energy to the cause of his fellowmen and to his other various activities added service to the co-operative credit movement. With his active co-operation and help the Registrar organised the first rural society in the village of Tirur in the Tiruvallur Taluk of the Chingleput District. This society as well as several of its immediate successors was constituted on a limited liability basis. The act required that rural societies should generally be formed with unlimited liability after the Raiffeisen model. But in the beginning and in the circumstances already described the very name "Unlimited Liability" scared the people. Even Diwan Bahadur Adinarayana Aiya would not hear of such liabilit; and the Registrar had to yield to the prejudices of the people and allow them to have their way. Mr. Adinarayana Aiya was

followed in the field by that energetic co-operator and prominent Indian Christian, M. R. Ry. C. Arulayya Naidu Garu of Kilacheri. With this gentleman's aid the second rural society in the Presidency was formed at Kilacheri, also in the Chingleput District. This society also was at first constituted with a limited liability basis, though it has since amended its constitution by substituting unlimited for limited liability. Before the end of the year the Registrar was able to register 10 societies, 2 urban, (those of Conjeeveram and Tanjore,) and 8 Rural, all with limited liability. Of the 10 societies registered during the year, 1 urban and 3 rural societies were in the Chingleput District, 1 urban and 2 rural in Tanjore, and 1 rural society in each of the districts of North Arcot, Cuddapah and Tinnevelly. It will be seen from this that from the outset the leaven of co-operation was very widely distributed. All these 10 societies were limited liability societies. But the liability was not all of one kind. In some societies such as those at Kilacheri, Conjeeveram, Tanjore and Nidamangalam it was limited to paid-up share capital. In others such as Tirur, Vilatikulam and Nandalur, it consisted partly of paid-up shares and partly of a fixed amount over and above this sum. In others still, as in Damal, it was wholly unpaid and consisted of fairly large amounts. This last kind of liability was called reserve liability and it naturally led up to unlimited liability. On this point the Registrar in his administration report for the year ending 31st March 1905, observed "None of the societies are exactly on any of the European models described by Sir F. A. Nicholson. For example, every one of the eight rural societies registered during the year was on the basis of limited liability, whereas the Raiffeisen societies of Germany and the Wollemborg societies of Italy work on the basis of unlimited liability. . . . . I am of opinion that though it may take some time before the members of any society will agree to recognise their joint and several responsibility for all the debts incurred by the society to the full extent of their property, it will be possible to make them so responsible to a maximum amount beyond which the liability shall not extend in the case of any member. This is a matter of importance, for a society the members of which limit their liability to their subscribed share capital will obviously be

less able to draw outside money (because the security is less) than one which recognises either full responsibility on the part of its members for all its debts, or some substantial responsibility beyond the share capital." The societies with large reserve liability were not without their prototype in Europe. These were modelled after the Haas societies, which, however, are condemned by Mr. Wolff in his "People's Banks" on the ground that this kind of liability misled the public into a fancied notion of security and in some cases such liability was found to be unrealisable. But instances of such difficulty have not occurred in this presidency. Particular care is taken by the Managing Committees of societies with reserve liability that persons admitted as members are sufficiently substantial to meet their liability. When the applicant is found on enquiry to be wanting in this qualification his application is rejected, so that societies with reserve liabilities are as a matter of fact, as safe as those with their liability unlimited so far as the investing public is concerned—at least so long as the Managing Committees continue to exercise the care with which they select their members. But this state of things did not continue long. People soon came to understand that with the supervision by Government agency, at the head of which was the Registrar and with care and watchfulness on the part of the Managing Committee, there was no possibility of a society incurring loss or of the members having to recoup such loss. It was therefore possible for the Registrar, about one year later, to persuade people to undertake unlimited liability, and out of 9 rural societies registered during the next year (1905-1906) the majority namely, 5 were constituted on the basis of unlimited liability, the remaining four being of the reserve liability type. From this type the step to the proper rural model, that of Raiffeisen, was easy. For if a member was prepared to hold himself responsible for the common debts of his society up to a fairly large amount of the share held by him, say Rs. 50 per share, and if from experience he found that on no occasion was he required to pay up anything on account of this responsibility, there was no reason why he should not accept full responsibility for the entire debts of the society, the more so as he enjoyed every right and facility to watch the affairs of the society and as it was under the supervision of a Registrar whose duty it

was to see that it remained safe. When it was further found that by accepting unlimited liability, outside money could be freely attracted, the members realised that it was to their advantage to undertake this kind of liability and they readily did accept it. In his next administration report, that for the year 1905-1906, Mr. Rajagopala Chariar remarked "On the whole the tendency in villages is to favour the Raiffeisen type, but with a paid-up share capital; and in towns the types favoured are the Nidhi model and the distributive credit society." As a matter of fact, however, all the rural societies registered since the year 1905-1906 are on the unlimited liability basis, while even some of the urban societies have accepted this kind of reponsibility as would appear from the appended statement.

It will be seen from the statement that in the course of seven years the number of societies went up to 598, of which only 38 were urban and 560 rural and that all the rural societies, except 12, registered in the first two years, were of the Raiffeisen type. Even of the 12 limited liability rural societies registered in the beginning of the movement, 6 have since converted themselves into unlimited liability societies. Five out of 38 urban societies have also accepted full responsibility up to the entire value of the property of the members for their common debt, *i.e.*, they have adopted the principle of unlimited liability. There is therefore no sort of difficulty whatever in persuading applicants for societies to undertake unlimited liability. In fact for some years past no persuasion at all has been needed. Hundreds of applicants pour in, especially from the neighbourhood of localities where societies already exist and are working. In the current year, about 350 new societies were brought into existence on such applications, which gives a rate of one society a day.

Co-operative year.	Urban.			Rural.			Total Number of Societies registered during the year.	Remarks.
	Limited.	Unlimited.	Total.	Limited.	Unlimited.	Total.		
1904—1905.	2	...	2	8	...	8	10	
1905—1906.	7	1	8	4	5	9	17	
1906—1907.	10	2	12	0	24	24	36	
1907—1908.	1	1	2	0	36	36	38	
1908—1909.(1)	4 (3)	0	4 (3)	0	76	76	80	
1909—1910.(2)	4	1	5	0	193	193	198	
1910—1911.	5 (4)	0	5 (4)	0	214	214	219	
Total.	33.	5	38	12	548	560 D	598+1Union.	

(1) In this year one Stores society (Tenali Urban Co-operative Stores) was closed; (B) of these two are Central Banks
(2) In this year also one stores society (Guntur stores) was closed.
(3) Of these, two are central Banks.

(4) In '08—'09 two old Rural Societies with Limited Liability. (4, Kaveripak and 5, Damal) have taken up unlimited Liability.
In '09—'10 „ (12, Bukkapatnam and 14 Vadanangur) „
In 1910—1911. „ (Nemili and Kilacheri) „

Co-operative Agricultural Associations.

By M. R. Ry. K. Ramaswamy Aiyar Avl., B. A., B. L., Secretary, Madura-Ramnad Co-operative District Bank Ld.

Co-operative Credit Societies and Agricultural Associations in India had their start almost about the same time, say about the year 1905. While the former have made considerable progress, the latter class of institutions have not thriven so well. Two distinct departments were created by the Government about this time. The Registrar of Co-operative Societies had the control of Co-operative Credit Societies, while the Director of Agriculture helped in organising purely Agricultural Associations. It is now seven years since the two departments began to work and it is interesting to note the relative progress made during this period, the circumstances which helped the growth of the one and those which retarded the progress of the other.

Co-operative Credit Societies began to be established firstly in villages where there was need for such an organisation. In the earlier stages the Registrar carefully watched the progress of each society, studied the conditions of each village with the help of the local people and for these purposes had, as a matter of fact, to move with them as one among themselves. Gradually, society after society began to grow up, until we have to-day nearly 1,000 societies in the Presidency.

The first Agricultural Association ever started in the Presidency was the Central Agricultural Committee at Madras which from the commencement has been presided over by either the Commissioner or the Director of Agriculture and has been receiving subsidies from Government, besides having as its members many high Government officials and several influential gentlemen both at Madras and in the Mufassal. About the same time many local associations, mainly at District Headquarters, were also started, the Collectors of Districts and other Revenue officials taking an active part in their initiation and subsequent management. But this kind of activity did not

continue long. One after another the District Associations at most of the district centres ceased to work; some few eked out a merely nominal existence, while not more than one or two continued to do real work. Even the Central Agricultural Committee which did very useful work at first, succumbed to the general indifference and began to lose in strength, until at last the officers who helped in bringing it into existence had to recommend its being wound up.

Government, however, were unable to agree to this proposal and invited opinions as to how the Central Agricultural Committee could be reconstituted, so that it might be placed on a sound basis.

It requires to be noticed that though Co-operative Credit Societies and Agricultural Associations were intended to help the same class of people, namely the Agricultural community, Credit Societies took strong and instant hold on the people, while Agricultural Associations never attracted much of the attention of the agricultural classes. The reasons are not far to seek. The Co-operative movement spread its net-work of societies among the very people who were intended to be benefited by it, whereas Agricultural Associations were started at centres where no agriculture was in fact carried on, nor did it ever attract a large number of persons actually engaged in Agriculture. The result was that non-agriculturists who posed as persons interested in agriculture but knew very little either of agriculture or of the hardships under which the agricultural classes were labouring, chiefly manned these associations and their work failed, naturally enough, to make any impression on the agricultural community. Their farms did not attract the attention of the cultivators and their shows were cried down as downright shams. They served no useful purpose at all.

Many critics argue from this state of things that Agricultural Associations are unsuited to this country and that they will never thrive here. This is not a correct view. Their very name implies that they should be Associations of agriculturists and not Associations run by non-agriculturists for the benefit of agri-

culturists. If our Agricultural Associations had been composed of members who were themselves agriculturists, they could not have been the failures they are.

Agricultural Associations can thrive best only in villages where the residents are mainly agriculturists and as Co-operative Credit Societies which have been started in villages, are also composed mainly of agriculturists, the question naturally arises whether there should be two Associations in a single village, namely one for raising funds and the other for expending them in the purchase of agricultural requisites or whether a single institution answering both ends would not work better.

If we examine the conditions in countries like Germany, Denmark and Ireland, we can have no doubt but that a single association formed on Co-operative principles can best serve both purposes. The question that has to be solved at present is, can the existing Co-operative Societies which are composed mainly of Agriculturists, be converted into Agricultural Associations as well? I shall deal with this question in my next article.

MADURA
10—8—1912.

K. RAMASWAMI AIYAR.

The First Madurantakam Taluk Co-operative Conference

Held on 25th and 26th May, '12.

(Account sent by the Secretary of the Conference.)

The first Madurantakam Taluk Conference of Co-operators was held on Saturday and Sunday the 25th and 26th of May 1912 at Uttaramallur under the Presidency of Sir V. C. Desikachariar, Avl. *Kt.*, B.A., B.L.,

Delegates and visitors from other taluks of the district and from the districts of North Arcot and Tanjore were also present.

Letters and telegrams from Diwan Bahadur L. D. Swamikannu Pillai, Avl., Diwan Bahadur the Hon'ble M. Adinarayana Aiya Garu, Rao Bahadur Parthasarathy Mudaliar Avl., Diwan Bahadur R. Ramachandra Rao Avl., and other gentlemen regretting their inability to attend the conference were read.

Mr. Venkatakrishna Aiyar, Retired Sub-Magistrate, as Chairman of the Reception Committee, welcomed the delegates and visitors and read a lucid report on the working of co-operative banks in Uttaramallur Union.

The President said that every individual in a conference was an integral part of a machine, that at such conferences various associations met and exchanged their thoughts, enabling backward societies to improve and copy the methods of the best society, that conferences of this sort were quite necessary in the interests of co-operative societies, and that tea parties and social gatherings given on the occasion of these conferences would prove conducive to the better working of the societies.

The President then called on the speakers to deliver their speeches.

1. Mr. H. Ramanujachariar, B.A., Tahsildar of Koilkuntla (Kurnool Dt.) first addressed the audience on the possibilities of co-operation, with special reference to the paper read at the previous conferences by the then Registrar (Diwan Bahadur R. Ramachandra Rao Avl., Collector of Nellore).

2. Then Mr. Ramachandra Sastriar, Pleader and Secretary of the Weavers' Union, Conjeeveram, addressed the meeting on (1) Free Elementary education to be given by co-operative credit societies in their respective villages and (2) the desirability of encouraging members of societies to repay their loans in due time by giving them a small remission of interest.

3. Reports were read by the various societies of the Madurantakam Taluk. Chief among them was the report of Kammalampundi which illustrated the vast improvements brought about by the establishment of a co-operative credit bank in that village.

4. Mr. O. M. Venkatanatha Aiyangar, Secretary, Uttaramallur Bank made a speech, urging that the rule now enforced in co-operative societies, that $\frac{1}{5}$ th of the loan should be repaid every year, should be modified by reducing the instalment to one-tenth.

Mr. Bhima Row, Agricultural Inspector, then threw out some suggestions to the audience which was mainly composed of agriculturists in regard to ploughs, manure and single plant sowing. The President then wound up the proceedings.

In his concluding speech, the President observed that in the reports of the various societies only facts and figures had been given but that no mention had been made of the moral improvement by the operation of these co-operative societies. He therefore suggested that information on a few additional headings *e.g.* the indebtedness of the village prior to and after the establishment of its society, the number of admissions to and withdrawals from each society, the number of wells sunk in each village by the aid of society-loans and the extent of land redeemed by the members since the advent of each Bank might be furnished in future. He wished that all villages should in the coming year come up to the level of the Kammalampundi village in respect of improvement.

With regard to agriculture he advocated the principle suggested by the Agricultural Inspector Mr. Bhima Row, *viz.*, of purchasing an English iron plough and a pair of stalwart bulls at a cost of about Rs. 250 to be defrayed by the society for the benefit of its members in common and exhorted the audience to adopt the suggestions with regard to collection of manure, and transplanting paddy by single plants instead of by bunches.

The President said that the object of the co-operative societies was to replace middlemen and help the borrower to raise a loan at a low rate of interest. He observed that in places where these banks were working the local rate of interest had gone down to a very appreciable extent.

He spoke in appreciative terms of the suggestions regarding extension of instalments for the repayment of loans and elementary education to be provided for out of the reserve funds of credit societies. As regards the first proposition he was of opinion that in cases of annually recurring debts, the extension was unnecessary but in cases of non-recurring loans the panchayat might be given entire discretion to grant extensions subject to the repayment towards principal, of a sum not less than 1/10th of the principal every year and that the existing by-law which provides for repayment of 1/5th of the original amount to be paid at the end of the year might be modified by substituting "a sum not less than 1/10th of the principal" in the place of 1/5th. As regards the other proposition he opined that a portion out of the reserve fund in each co-operative bank might be utilized for elementary education to be imparted in the villages according to the needs of the locality and that such action was warranted by recent legislation, *viz.*, the Co-operative Societies Act II of 1912.

A vote of thanks proposed in well chosen words, by Retired Deputy Collector Mr. C. S. Subramania Aiyar, brought the conference, the first of its kind at Uttaramallur, to a close.

PROGRESS OF CO-OPERATION.

IRELAND.

(Extract from the Report of the Irish Agricultural Organization Society Ltd., for the year ending 30th June, 1911.)

SUMMARY.

The following table gives the number of societies (and in the case of creameries, auxiliaries worked on the "part and parcel" system) at the commencement and end of the statistical year:—

Description of Society	Total. 1-1-10	Formed. in 1910	Dissolved. in 1910	Total. 31-12-10
Creameries	301	11	...	312
Creameries (Branch)	79	...	...	79
Agricultural	155	11	1	165
Credit	234	3	...	237
Poultry	18	...	...	18
Flax	9	...	...	9
Industries	21	...	1	20
Miscellaneous	15	23	...	38
Federations	3	...	1	2
Total.	835.	48.	3.	880.

For the six months ending 30th June 1911, the following societies were formed and registered:—

Creameries	8
Agricultural societies	3
Miscellaneous	14
Total.	25

Agricultural Societies.

The total number of these societies now stands at 166, an increase of eleven over the previous year, while their trade turnover was £ 124,720, an increase of £ 12,500. The increased efficiency of the Irish Agricultural Wholesale Society is to some extent accountable for the extension of this most necessary form of co-operation, which would be found in every parish in Ireland. It is satisfactory to be able to record that several of the new societies give evidence of considerable enterprise. Some are erecting stores for the purposes of their business so as to be able to stock their members' requirements, others are making the purchase of the more expensive kinds of machinery, to be hired out to their members, their main business. Federation with the wholesale society is becoming more general, and the necessity for the body is now fully recognised. But it cannot be denied that the volume of co-operative trade done through these societies is insignificant when compared with the entire transactions of the districts in which these societies operate. Farmers in many cases merely make use of the terms obtainable through their society to beat down prices of the local dealer. This of course leads to a general lowering of prices in the neighbourhood, in which all purchasers benefit, but it is not co-operation and produces no permanent good. The committee have, in their last two reports urged the necessity for re-organising the business methods of these societies in order that they may keep actively at work throughout the year and take up lines of business hitherto undeveloped co-operatively.

Credit Societies.

A new departure in agricultural credit is the incorporation, in the rules of the co-operative agricultural societies, of rules drawn up originally for credit societies only. It has long been felt that the very narrow margin of profit possible to most credit societies should be supplemented from some other source. A very natural source would be the trading profits arising from co-operative purchase and sale, but pending the passing of Lord Shaftesbury's excellent Thrift and Credit Banks Bill, which is going through the Committee of the House of Lords whilst this report goes to press, credit societies have no legal powers allowing them to trade. This being so, it is hoped that some of the trading socie-

ties may make use of the newly drafted rules enabling them to add a banking branch to their business and so bring within the reach of their members the advantages of co-operative credit.

A Co-operative Insurance Society.

Many are of opinion that the time is ripe for the starting of a Co-operative Insurance Society for Ireland to undertake the entire insurance business of all classes which now exist within the movement. There is reason to think that the percentage of risk in the co-operative movement is considerably lower than the average, and if this be so, it would appear that such a society might be started with reasonable hopes of success. A direction from the General Meeting in this subject would be desirable.

ITALY.

(Extract from the Bulletin of the Bureau of Economic and Social Intelligence.)

Fishermen's and Miscellaneous Co-operative Societies.

The Fishermen's societies are the least numerous and this is remarkable, when the importance of fish in Italy is considered. The 1906 returns showed 204 of them having together a paid-up capital of 25,159 francs. The new statistics show 3125 with a total of 2,871 members and a total capital of 76,000 francs and 35,000 francs reserve fund.

On the 31st December 1910, there were, in addition, 172 other miscellaneous societies, which could not be classified in any of the above groups. 112 of these had 28,000 members and a total capital of 5½ millions, or on an average 49,000 francs per society.

Building Societies.

The increase of these in the four years has been extraordinary; and indeed from 150, of which 112 had in 1906 a capital little above 18 million francs, they had increased by the end of 1910 to 379 with a capital of 40½ million francs (for 315 societies) and about 50,000 members. Their reserve fund amounted to over 2½ millions, averaging 136, 855 francs per society, an average far surpassed in Liguria, where it reaches 737,187 francs.

We find the largest numbers of building co-operative societies in Lombardy (79), in Tuscany (75), in Emilio (61), in Liguria (48), in Latium (48), in Venetia (27), in Piedmont (14). The total number of members is highest in the societies of Liguria and Lombardy (over 13,000). The largest capital is also found in the societies of Liguria (33 millions) and Lombardy (about 4½ millions).

Co-operative Societies for Industrial Production.

From 479 in 1906, of which 282 had together a capital of about 10 million they rose to 564 at the end of 1910; of these, 398 had 70,719 members, and a paid up capital of 15½ millions and a reserve fund of 3 millions. The greater number we find in Lombardy and in Emilia.

In this group of societies the following industries are represented: I. Tailoring, textile and similar industries, (48 societies; in 1906, 25); 2. Wood and leather work (84 societies; in 1906, 77). 3. Machine-making and metal-work (95 societies; in 1906, 79); 4; Chemical and pharmaceutical industries, (46 societies; in 1906, 31); 5. Decorative arts and ornamental work, (67 societies; in 1906, 56); 6. Electric works (60 societies; in 1906, 50) 7. Printing and kindred industries (91 societies; in 1906, 76); 8. Sanitary work (32 societies; in 1906, 24); 9. Industries in connection with building material, earthenware and glass work (31 societies; in 1906, 28); 10. various industries (10 societies; in 1906, 6.)

The average capital per society is large only in the case of the societies of the group engaged in chemical and pharmaceutical work (192,571 frs.) and in that concerned with building construction, earthenware and glass work (149, 644 francs); in the other groups the average capital per society ranges between 10,550 francs (various industries) and 35,486 francs (electric works).

IN INDIA.

(Extract from the Baroda Report on Co-operative Societies for 1910-11.)

At the commencement of the year under report, there were 61 societies, consisting of 1 urban and 60 rural; during the year 1 urban and 18 rural societies were registered and one rural society

was cancelled. The year thus closed with 79 societies consisting of two urban and 77 rural societies.

* * *

The increase in the number of societies was only 19. Absolutely speaking this number is small. When it is borne in mind that the Bombay Presidency in general has been backward in the work of co-operation as compared to other Provinces, and that the fifth and sixth Annual reports of the Presidency record an increase of 24 and 40 societies respectively for the whole Presidency, the progress in Baroda will not appear to be slow.

* * * *

The other urban society has been started by Government servants and has limited liability. It was started on 17th December 1910 with a membership of 13 only, which increased to 66 by the end of the year. It has issued shares of the value of rupees ten each and provided for the payment of the share-money by a monthly instalment of rupee one per share, so that the members may not find it difficult to pay. The society has also got provision for compulsory saving. The society was able to have by the end of the year a working capital amounting to Rs. 1,105-15-4. There is every reason to hope that this society will, before long, develop into a Central Society.

* * *

The working of the Society at Ghata in the Vyara Taluka is very interesting. The whole population of the village is Kaliparaj (hill tribes). The society is composed also of members belonging to the Kaliparaj. Before the starting of the society, the people were entirely at the mercy of the money-lenders. They had not only to pay exorbitant interest on small loans to meet the Government demand, but had to sell their produce to money-lenders at prices fixed by the latter at their own sweet will. Now since the birth of the society the money-lender has lost all influence in the village. The society pays Government assessments on behalf of its members and controls the disposal of agricultural produce belonging to the members. Up till now the society has been able to pay off debts due by about 40 of its members to money-lenders. The successful working of the society is due to

the energy and influence of Amarsang, a man of the Kali Paraj class trained in the Boarding school for the Kali Paraj established more than fifteen years ago by His Highness' Government at Vyara. Amarsang is assisted in the work of management by two persons similarly trained in the same institution.

* * *

Disputes and Litigation.

It is a matter for satisfaction to note that up till now no occasion has arisen for a recourse to Civil Courts. The societies have exercised a salutary social and moral pressure to ensure due repayment of the loans. As regards factions in the societies themselves, I have taken care to see that in organising societies fighting elements do not come together. Whenever there are factions in villages, I have found by practical experience that it is desirable to have separate societies. After the separate societies work successfully for a time it may perhaps be found practicable to amalgamate them, and make them work harmoniously together.

Extracts from Speeches.

Co-operation in Agriculture, (By the Registrar.)

(An Address delivered under the auspices of Mr. C. G. Todhunter, I. C. S., Collector of Chingleput, to the Co-operators of Chingleput and other guests assembled at Mrs. Todhunter's At Home, at Saidapet, Chingleput District, on Saturday, 10th August 1912 with the Hon'ble Sir R. S. Benson, Offg. Chief Justice of Madras, in the Chair.)

Agricultural Co-operation may be said to be in the air just now. The latest issue to hand of the "Agricultural Journal of India" contains two articles on the subject, one by Mr. Buchan on "Co-operation in Agriculture" and the other by Dr. Mann on "Local Bodies", by which is meant District and Local Agricultural associations "as agents in Agricultural improvement." I have also just received Volume I of a series of valuable monographs on Agricultural Co-operation in various countries, issued by the Bureau of Economic and Social Intelligence of the International Institute of Agriculture at Rome. One of the various countries dealt with in this important publication is British India, to which are devoted 66 pages out of 450, the largest space ever allotted in such a publication to our own country. Evidently Agricultural Co-operation is destined to play a momentous part in the world's affairs and its phase in our own country is considered of sufficient interest to demand special treatment in an encyclopaedic publication dealing with the world's co-operative output. Whatever co-operation in agriculture may mean, we have not met one moment too soon to try and understand its meaning, its bearings, its past and its present if we can by any means compass it, also to shape its future.

But what does Agricultural Co-operation mean? And in answering this question, let me prepare you for a genuine surprise. You co-operators in Chingleput have met here under the auspices of the head of your district to concert measures for doing something to promote agricultural co-operation, being like him pain-

fully conscious that little or nothing has been done in the past under that head and that unless we do something in future, we shall not be worthy of the name of co-operators. You know as well as I do, and better than I do, because you have been in it and given your time and substance to it, what has been done towards the attainment of co-operative ideals in the Chingleput district. You have established co-operative credit–rural co-operative credit–if we may use a phrase no longer sanctioned by law but always useful because it records a fact: you have established it more thoroughly than has been done in any other district in the Presidency: figures can only serve to deepen the conviction of what you have done because in only your district out of the 24 in this Presidency there are one-fifth of the total number of co operative credit societies throughout the Presidency; and of the total working capital of the Presidency your district alone has to its credit not less than a fifth. Still you are not conscious of having done anything which can deserve to be styled *agricultural* co-operation whereas the monograph on co-operation in agriculture tells us that ever so much has been done under this head in British India. Let us look into the monograph to satisfy our curiosity. It merely tells us of what you and I—or rather of what you and my predecessors—have done for the last six or seven years and it tells us further of what co-operators like you and Registrars of Co-operative Societies have done in other Provinces of British India. It merely records, though in a carefully marshalled series of paragraphs and statements, the facts to be gathered out of the annual Administration Reports of Registrars in the different Provinces of British India. But surely are not these learned people of the Bureau of Economic and Social Intelligence of the International Institute of Agriculture making a serious mistake, deceiving themselves as well as us, confounding *credit* co-operation with *Agricultural* co-operation? A little reflection will show us that they are labouring under no mistake. Their wide knowledge of the world's statistics enables them to take a broader view of the aims and purposes of co-operation than it is possible for us to do with our narrow classification of co-operation into credit, distributive and productive co-operation. They have seen clearly what is indeed blurred to our nearer vision, that in establishing rural co-operative credit we have established co-operation in Indian Agriculture and that all that we have done

under the name of credit co-operation in rural areas deserves to be registered under Agricultural Co-operation. Even the most superficial enquiry in our own neighbourhood will show us that these statisticians of the Bureau of Economic and Social Intelligence are essentially right. If you ask a ryot in any village where there is a co-operative society, or for the matter of that, any ryot anywhere, "What would you rather have? Such help and advice as would enable you to emerge from all your difficulties as a house holder and agriculturist, or advice as to the best crops to sow, the order in which to sow them, how to select seeds and manure &c.," he will answer without a moment's hesitation, "Please help me out of my general indebtedness; when I cease to be compelled to receive the sowcar at my door and the Lubbai on my thrashing-floor, when they no longer carry away my grain and my produce, when I am able to gather in my harvest and divide among my children their bread in peace, I can afford to listen to your advice about agricultural improvements; not till then."

So after all, we are in this position. In developing co-operative credit we have unconsciously, as it were, developed agricultural co-operation. We have rendered the ryot, just the measure of assistance required by him, without which agricultural associations for carrying on agricultural work and experiment would have been of no avail. Sometimes it does one good to be conscious of one's merits. In education of all kinds this is a principle which is now universally recognised. We begin the school boy's education now a days not with the geography of the Grecian Isles or the history of the foundation of Rome, but by telling him about his own school room, his own house and the village where he was born. While we tell him about these things, he becomes conscious of the fund of knowledge already in him and in continuing to learn further, he becomes aware not of a world of new ideas, but of the world already familiar to him, rendered still more familiar and extended by imperceptible additions. We no longer tell him "you are a dunce and I can never make anything of you"; but we try to convince him that he knows a good deal already and that just a little more will make a scholar and a man of him I think we should proceed in the same way with our nascent co-operative credit societies. They have shown themselves very

apt and docile learners and deserve all the words of encouragement we can find for them in describing and extolling the value of the work already done by them. I have thought of dwelling on this aspect of the matter to-day because a considerable portion of the audience which does me the honor of listening to my remarks may be described as observers and critics; friendly critics it may be, but still critics rather than members, of co-operative societies. People sometimes get hold of scraps of a definition of co-operative societies and then proceed to criticise the work of the societies. They have read somewhere that co-operative societies ought to command their own working capital and they are impatient that 99 per cent of our societies draw their working capital from Central Banks like that at Madras, forgetting that Central Bank money is people's money, not state aid which co-operation has been wont to lean upon, even in advanced European States. They have an impression that co-operative societies should be fed with deposits and savings by their own members and they ask our societies: "who are your depositors and what savings have you helped your members to accumulate?" They have read of agricultural associations in Europe conducting and financing scientific experiments and they whole-heartedly condemn the tentative agricultural associations in India, because they have no money, conduct no experiments and do no work. To those who exclaim that agricultural improvement is the hope and salvation of this country but that agricultural associations are its despair, I would point out our co-operative credit societies as our real, our only agricultural associations, not in mockery, but in earnest, much as Saint Lawrence, the great Deacon Martyr whose feast is marked in the calendar against this day, pointed out to the tyrant the poor of his church as its treasures.

I do not forget and I do not wish you for a moment to forget that the agriculture of India has a future, but I would bid you take heart from its present just as I would bid you take a lesson from the past. Long before co-operation was born in its latest birth, the Government of India and every Indian patriot were pre-occupied with agricultural improvement. The discussions consequent on the great famines of the middle third of the last century culminated in the Land Improvement Loans and Agricultu-

rists Relief Acts. Government decided to place large sums of money at a low rate of interest, at the disposal of any ryot or body of ryots wishing to make agricultural improvements; and at the same time agricultural Departments were organised in all the provinces with agricultural schools, model farms, and one or more agricultural experts in each province. Ryots who had witnessed the exhibitions and visited the farms were expected to make all kinds of improvements under the advice of the experts and with Government loans. The ryot did use a considerable portion of the money that was offered to him with so many baits, but he took it warily and used the Government loans mainly—we may say,—exclusively, for digging wells, a kind of improvement for which no expert advice was until lately offered by Government. We all know in what light the ryot looks upon the expert; he reverences him, as the African reverences the medicine man, he may even recognise in him some mysterious power, but on the whole he prefers to pay his homage at a distance and to give him a wide berth. If Government, with an unstinting offer of cheap money have not been able to overcome the ryots' coyness, there is little hope of co-operative societies succeeding in the attempt with their slender resources.

How then are we to proceed? The future of our co-operative societies no doubt depends on the amount of agricultural work pure and simple that they will succeed in doing, for they cannot always be in tutelage, always in hospital, *i.e.* getting cured of debt, and every body feels that it is time for them to be up and doing. Here is a useful, practical programme of work from Mr. Buchan's article in the *Agricultural Journal of India*. "The co-operative society" will "enable the farmer (1) to cultivate scientifically, (2) to get good seed, manures and machinery at cheap cost, (3) to sell his crops to the best advantage while avoiding the profit of the middleman, (4) to manufacture his dairy produce and sell it in the best market, (5) to improve the bread of his live stock and (6) to insure his possessions against all risks" I have inserted the numbers which help us to realise the six solid compartments of this programme. All you have to do is to put a mark against any of the six compartments of this slate, and the Agricultural Department, like the genii of the Arabian tales, turns up and asks 'How

may I serve you?' If you wish to do any of these six things co-operatively, let me say a word in your ear before you ask the agricultural Ariel to hew and draw for you.

In the first place, do not attempt co-operative work unless the men who are to co-operate and the things on which they are to co-operate are there already. Ten honest and willing men can draw easily the co-operative car, but all the king's horses and all the king's men cannot draw it. I sometimes am appealed to to register a dairy society in a place where no cow is to be seen for miles round nor much grass growing, but where there is a plot of land which the interviewer thinks can be obtained on darkhast if the Collector will allow himself to be drawn by the co-operative bait. No; there can be no co-operative work unless there is a co-operative need; that is, not only must there be a need somewhere at the back of your head, but it must be a crying need among the people and they must feel the pinch. Take a village which habitually produces ghee and sells it; that is a place where you may think of a co-operative creamery, but you must have a sufficient number of workers already there, and also a little capital forthcoming among them or their friends. To bring the workers together is an uphill task: but to wish to create men and material as well as co-operation is the mark of a visionary.

Unless you are weary of my pratings, may I say another word in your other ear? Co-operation, howsoever you may define it, and however it may differ in methods and aims from other kinds of business, is business as much as the most businesslike of them. Co-operation is not charity, co-operation is not philanthropy, co-operation is not popular science, but *it is a method of doing business so as to earn profit*. Co-operation consists, as we understand it, in the division of profits on a uniform principle among all who have contributed to the profit whether by money or by labour. It does not limit the dividend to the moneyed contributor but must needs extend it also to the labourer who is a member. In unlimited liability societies, no doubt, there is such a thing as putting every pie of profit away as reserve fund, but in that case little or no capital has been contributed by members and they have their dividend in the lower rate of interest charged to them. But where some have contributed labour and others capital in order to make

profit, the co-operative principle is to throw the labour and the capital into hotch pot and divide the profits among all the contributors. But there should be no relaxation of the ordinary meaning of business. Because you are doing a thing in a co-operative society, it does not follow that you should excuse slackness or slipshod ways or speculative tendencies. If you go to a business man and ask him to pay you £ 500 because you have conceived a brilliant idea and there is money in it, he will probably send you about your business, because he is, as you say, a hard-headed man of business, not blessed with a soul or an imagination. No more, in such a case, should a co-operative society, engaged in work, have a soul or an imagination. For this reason, experimental work does not fall within the purview of a co operative society, but where there is a thing bought or sold, and money is to be made by buying it or selling it or producing it in common, by all means bring co-operation on the scene. If there are several village societies in an area doing agricultural business of this description, some buying manure in common, others investing joint funds in stocking good seed, whether of grain or of green manure, others perchance making co-operative ghee &c., let all these societies send representatives to sit and deliberate as a Taluk or District Agricultural Association which can then compare methods and prospects and, if they like record their joint experiences in speech or writing. If such an Agricultural Association has spare money, there is no reason why it should not carry on experiments but then it would not be carrying them on as *co-operative* work but as *agricultural* work pure and simple. I confess it is a very narrow view to take of what are ordinarily called co-operative *ideals*, but nothing seems to tend to soften the head and its contents so much as a prolonged course of co-operative dreaming and scheming, and therefore I wish to impress upon all who would do co-operative work in Agriculture that the beginning and end of it is as in all other business, to try and make money and make a little more of it.

NOTES.

The Sunnambukulam R. C. S, No. 591, in the Chingleput District resolved by a general body resolution to fine one of its members a sum of annas two for being drunk on one occasion. The society deserves to be congratulated upon the spirit which has prompted it to adopt this course. It is to be hoped that other co-operative societies will also place before themselves the ideal of acting as moral censors of their members. The society has also acted in a commendable manner, in another matter, in disbursing loans in small sums and in seeing that the loans actually reach poor people.

(Extract from the Bulletin of the Bureau of Economic and Social Intelligence.)

Seldom has an action of the Hungarian Government met with such unanimous approval as when, during the discussion of the budget for 1912, it announced the foundation of two new Universities. This foundation will in fact permit the Department of Public Education to organise two new centres of higher education, thanks to which Hungary may show, that she holds scientific culture in equal esteem with Western Europe, and that the nation, ever desirous of progress, no longer intends to content itself with a higher educational system centralised in the capital. The two new universities will, however, only furnish theoretical knowledge, certainly valuable, but insufficient to open a new path for the nation to develop its resources in the field of agricultural production, the importance of which for the world's economy is however daily growing.

If we enquire into the causes why the economic prosperity of Hungary does not equal that of Western Europe, we cannot help placing among the first the want felt by those concerned of

social information, the methodical popularisation of which may be so fruitful. The remarkable example of the high economic instruction given by the Paris Sorbonne is singularly significant in this respect.

It is however not surprising that Hungary has not yet founded a special establishment for instruction in social economics. For centuries, we know, she had to reserve all her strength for political struggles. But to-day when in the whole world, political questions are giving way to economic ones, when the internal organisation of States, and their external policy as well, are guided by economic aims, it is evident that, to remain on an equality with the rest of the agricultural and commercial world, Hungary must develop on the same lines as her rivals. All who are concerned for the future of the country are convinced of this and their desires in this respect are unanimous. So we may hope that in the near future Hungary may be endowed with a special scientific establishment in which social economy and its various applications to agricultural requirements, shall be considered as ends in themselves and not as mere dependencies on purely legal studies.

The Minister of Public Education and Worship informed the Chamber that Government was in favour of such a foundation, and was studying the matter in order to present a report to Parliament with the next budget.

Below is published for general information copy of a letter sent by the Deputy Director of Agriculture, Southern Division, Trichinopoly, to the President of the Co-operative Credit Society at Lalgudi :—

SIR.—I have the honour to inform you that M. R. Ry. Anantha Krishna Iyer, one of the members of your Managing Committee, called on me yesterday and informed me that your Society wished to stock seeds of green manure crops, paddy seed and manures.

2. With regard to green manure seeds, if you will tell me what your requirements are likely to be for the next season, I

will arrange to deliver that quantity of *Kolingi*, *Daincha* and *Sunn-hemp* seed at Lalgudi at the price at which we are selling in our Tanjore and Madura Depôts, and will allow you a commission of 4 annas per bag on the sales, provided that you collect and remit dues and render monthly accounts to me of the sales, and provided that you guarantee a sale of 75% of the seed stocked.

3. As regards paddy seed, I can supply you with seed on order free on rails at the nearest Railway Station to the Agricultural Station where they are available, at our sale rates. That is to say, you can send a collective order which will be supplied by goods train and thus save you the packing and much of the parcel rates which often amount to nearly as much as the value of the seed. I enclose a list in Tamil of the seeds which are now available. In the first instance, I should advise you to make trial cultivations and base your orders for the next season on the success of these.

4. As regards manures, the Agricultural Department does not hold any stock of these. M. R. Ry. Ananthakrishna Iyer informs me that already large quantities of groundnut, neem and castor Poonac are used by the village and that this is bought locally at bazaar prices. Your best plan would therefore be to call for tenders for your combined requirements. These tenders should be submitted with a sample of the Poonac and a guarantee that the consignment will come up to the sample. The sample and a sample of the consignment can both be sent to the Agricultural Chemist for analysis. It is very probable that you could make a saving of 25% on the cost of your Poonacs alone.

FISH MANURE.—Experiments conducted at Coimbatore show that fish manure does not give much return for the first year of application, but that the residual value has a great effect on the yield of the next year's crop. I should advise you therefore to test this among yourselves on a small scale before spending money largely on it. If after trial, you find it pays, then I can arrange to have this purchased for you on the West Coast, if you wish it.

The Madras Provincial Co-operative Conference.

I. *Proceedings of the meeting of the Committee of the Madras Provincial Co-operative Conference, held on Saturday, the 27th July 1912, at 4 p. m., at 33, Arunachalasari Street, Triplicane*:—

(i) That a General Committee consisting of the following members [96 in number-names omitted] be constituted, with power to add to their number, as the First Provincial Co-operative Conference Committee.

(ii) That an Executive Committee be appointed consisting of a President, two Secretaries and a Treasurer, with five other members, three forming a quorum, for organising and making all necessary arrangements for the holding of the Conference.

(iii) That the following gentlemen do form the Executive Committee :—

President:—The Hon'ble Diwan Bahadur M. Audinarayana Iyah Garu.

Secretaries:—Mr. K B. Ramanathan, M.A., B.L., L.T.

„ V. S. Ramaswami Sastri, B.A., B.L.

Treasurer:— „ T. Natesa Aiyar, B.A., B.L,

Members:— „ T. Ranga Chariar, B.A., B.L.; Rao Sahib V. A. Parthasarthi Mudaliar; Mr. C. V. Krishnaswami Aiyar, B.A., M.B.; Diwan Bahadur K. Krishnaswami Rao, C.I.E., and the Hon'ble Rao Bahadur P. Theagaraya Chettiar, B.A.

II. *Proceedings of the meeting of the Executive Committee, held on Saturday the 17th instant*:—

i. That the date of the Conference be provisionally fixed for December, within the first fortnight.

ii. (1) That each District Central Bank, Urban Co-operative Society and Union be requested to elect one delegate;

(2) *(a)* That in regard to rural Co-operative Societies, forms of delegation be furnished through Central Banks and Unions, where they exist, the latter choosing as many names of delegates as may be expected to accept the delegation and attend the Provincial Co-operative Conference at their own expense, if necessary, leaving the choice of any one of the names so selected to the individual Societies.

(b) That, where Central Banks and Unions do not exist, forms of delegation be furnished through members of the General Committee or other prominent gentlemen belonging to the particular district, the procedure mentioned in the preceding Resolution being followed.

iii. That the Central Banks, Unions, members of the General Committee or prominent gentlemen of the Districts as the case may be, be requested to collect the voting papers and announce the names, both to the Societies concerned and to the Secretaries of the Provincial Co-operative Conference.

iv. That the members of the Conference shall consist of :— i. Members of the General Committee. ii. Delegates elected in the manner detailed above.

v. That every delegate appointed either be a member of the General Committee or a member of a Co-operative Society registered either under Act X of 1904 or Act II of 1912.

vi. That, if any individual rural Society desires to choose as its delegate any person whose name has not been suggested in the voting papers mentioned in Resolution (ii), such Society be at liberty to do so and communicate the name of the delegate to the Secretaries of the Conference.

vii. That each delegate be required to pay a delegation fee of Re. 1.

viii. That an appeal be sent to all Co-operative Societies in the Presidency whose annual net profit is Rs. 100 or above to contribute to the expenses of the Conference, which are expected to amount to Rs. 1,000 and that Societies be required to intimate to the Secretaries, what contribution they are willing to make [The number of Societies getting a net profit of Rs. 100 or above, is nearly 200 in number.]

ix. That every member of the General Committee be requested to make a liberal contribution to the expenses of the Conference.

REVIEWS.

Co-operation in Agriculture.

"Co-operation in Agriculture" is the title of a valuable contribution by Mr. Buchan, Registrar of Co-operative Societies, Bengal, to the July number of the *Agricultural Journal of India*. The following extracts will be read with special interest:—

There has recently been published a collection of monographs which trace the history of the Co-operative movement in the principal countries of the world.

* * * *

The Indian movement occupies a position by itself. The writer of the monograph on India sums up the progress made as "an illustration of State aid effectively administered rather than of organised self-help." We reversed the normal process by beginning at the top. Government not only introduced the idea to India but appointed official Registrars to make it known and to organise and guide a co-operative movement. It was the only possible course. The condition of agricultural India obviously called for co-operative societies, although the people had not thought the matter out and there was no conscious demand for them. The great danger of the arrangement was the possible officialisation of the movement. Every Registrar on his appointment at once becomes an enthusiast. He is convinced, and rightly, that a widespread co-operative system would mean the regeneration of the rural population. But he finds that the educated classes, the natural organising agency, are apathetic and the temptation to form societies by official means is strong. The reports show that in most provinces this temptation has been resisted. In India, as in every other country, the teaching of experience is that excessive artificial fostering produces a weakling growth. Government has shown the way. There are in every province the beginnings of a healthy movement, which grows more self-conscious every year, and which is gradually attracting the interest of the educated classes. The future rests with the people of India. An officially

run movement on a wide scale is a thing unthinkable. A popular movement, appealing consciously to the interests of the Agricultural classes, under general official guidance, but supported by the energy of numbers of local organisers, is eminently practicable. That is the ideal aimed at. It is certain that without that propelling popular force the movement can never have vitality or spontaneity.

India is predominantly an agricultural country. Agriculture in its many phases is by far the most important interest, and merits the greatest share of attention. Much has been done and more attempted to improve the situation, but the picture is still dark enough. The agriculturist, the pillar of the State, is paradoxically its weakest member. To the Mahajan's credit one may, almost without exaggeration, apply the celebrated phrase attributed to Louis XVI that it "supports agriculture as the rope supports the hanged." From first to last the ordinary ryot is dependent on that credit; he is scarcely even a free agent. His methods of cultivation are primitive and often wasteful, and in disposing of what crops he gets he can only accept such prices as the middleman chooses to offer. Weak and isolated, he is in no position to improve his fortunes And the economic conditions are rendered harder to assail by the conservatism of centuries and the improvidence that accompanies blank poverty. The picture has been painted a hundred times.

It is possible that four years' work in connection with co-operative societies affects one's sense of proportion. But there is no one who has taken part in the work, who does not regard co-operation as incomparably the most promising means of attacking the agricultural problem. And a perusal of these monographs confirms that conviction. To compare agricultural Europe of the present day with the same Europe of the early 19th century is to gain fresh hope for India. If rural India is backward and her outlook discouraging, there was a time when continental Europe was little better. In the change, astonishing both in its magnitude and rapidity, that has taken place in the West Co-operation is probably the most important factor. Rural credit has been reorganised. The co-operative society enables the small farmer to cultivate.

scientifically, to get good seed and manures and agricultural machinery at cheap rates, to sell his crops to the best advantage while avoiding the profit of the middleman, to manufacture his dairy produce and sell it in the best market, to improve the breed of his live-stock and to insure his possessions against all risks. These are only a few of the directions in which the co-operative principle has been applied. The movement encourages agricultural education and reaps the benefit in improved cultivation and a stronger and more intelligent force within itself. The societies form practically a huge unpaid agency for making known and bringing into practical use in all parts of the country the improvements of agricultural science and economy.

Unless such a development is regarded as attainable in India our present work is meaningless. We are still a long way off it, and before it is reached there is much to be done in the way of education and the breaking down of old prejudices and habits.

But the instinct of association is deeply implanted in the people, and the success that has attended the first experiments in co-operative credit offers the promise of greater things in other directions. Hitherto the departments of agriculture and co-operation have worked independently. In future their orbits must increasingly converge. When the scientific department has demonstrated the value of a particular method of cultivation or of an improved implement, the co-operative society ought to supply the channel, so greatly wanted, by which these improvements will be carried down to the ryots. Even now some use is made of the societies in this direction, and more might be done. If the two departments so work together, and if, most important of all, the people themselves and especially the more enlightened classes co-operate, the history of the next fifty years will have much to tell of improvement in the lot of the Indian Peasantry.

Local bodies as agents in Agricultural improvement.

Another co-operative article appearing in the July issue of the *Agricultural Journal of India* is from the pen of Dr. Harold H. Mann D. Sc., Principal, Agricultural College, Poona, and

bears the title given at the top and the following passages extracted from the paper will be read with interest.

"India stands in such a very special position in respect to the character of the vast mass of its cultivators and the greater part of its agriculture that it might be, and has indeed been often asked by men of small or limited experience, whether under the special circumstances of the case, it is either necessary or advisable to encourage such local bodies as we are discussing. Cannot the Agricultural Department communicate directly with the cultivators? Is not such communication with, and help-giving to, individuals of equal value to work done by and through a local association of any kind whatever? While this *can* be done, while it is *possible* to deal direct with every cultivator in the districts, it is becoming more and more clear that this is not generally the best or most economical way of proceeding. A local organised body is a far more efficient agent for the introduction of improvements than the few officers of the agricultural department, working individually can ever be, for, being a body of local men, it carries considerable local influence if composed of the right people, the members can and do mutually encourage one another, while its educative value in combined work and co-operative effort is, if properly organised, greater than can be realised. Even if the same end can be gained so far as the introduction of an improvement is concerned, without a local association, a better final result can often be attained if a local body, as such, takes a share in the matter; as tending to increase the co-operative spirit of the people and hence the likelihood of permanent advance."

* * * *

"It may be noted that success has been attained by following several lines. In the Central Provinces, where perhaps the most valuable work has been done, the associations are bodies composed of nominees, limited in number, of the district officers for each district. These, say for instance, to the number of thirty, are called together to a convenient centre, appoint a Secretary, and are met by a senior officer of the agricultural department, usually the Deputy Director, who has a number of pieces of work suitable for their district, ready to suggest to the members to take up.

These are not experiments but consist in carrying out some introduction of new seed, or the demonstration of better methods of cultivation, and the like, in using their land as a seed farm, in distributing sulphate of copper for treating *Juari* seed, in acting as agent for ploughs, or in making arrangements for marketing and similar things. Each man is then supplied at once with the material he needs, and thereafter, is visited by an assistant once a month, and by the superintendent of the farm in that circle several times a year. Six months later all the members meet again: the Deputy Commissioner is in the chair: the Deputy Director is again present: the work done is discussed, causes of failures made out, accounts of success recorded, and a new lot of work arranged for, for the ensuing period. Once a year, the members of all the district associations in a tract are called and meet at a common centre generally a farm of the agricultural department, when experiences can be discussed among a larger collection of cultivators, selected outsiders being invited. All the proceedings in these larger meetings, as well as in the district associations, are in the vernacular."

"But, however organised, the principles which have been laid down are essential. The time is now past when the agricultural associations can be created in every district in a province heedless as to whether there is work for them or whether they can be instructed and encouraged. If there is work laid down for each association and its members to do; if they are composed really of the men to whom agriculture is a vital interest; if they can be regularly inspected and meetings held; and if the association and its members can be made to feel that the agricultural department or some central body is continually interesting itself in the work going on and ready to give assistance, then it is almost certain that, provided the local circumstances are properly taken into account, a local body will be created of extreme value for the development of the industry."

CORRESPONDENCE.

Institut International d'Agriculture

Secretariat General.

Rome, 11th July, 1912.

No. 7188

DEAR SIR,

I am much obliged to you for sending me a copy of the "Madras Bulletin of Co-operation" containing extracts from our "Bulletin of Economic and Social Intelligence." So far from objecting to your publishing extracts from our Bulletins, we are delighted to know that you do so. The object of the Institute is to collect and disseminate information and you will be helping on our work if you reprint from our Bulletins any information which you think likely to be of use to your readers.

We see your Bulletin regularly and shall in doubt find it useful, when we are able, to devote a little more attention to the important co-operative credit movement in India. We are preparing an article, based on the Reports of the Registrars on Co-operative Credit in India in the years 1909-10 and 1910-11. The Monograph which we published in December 1910 dealt with the movement up to June 1909.

Yours faithfully,

The General Secretary.

To

THE EDITOR OF THE CO-OPERATIVE BULLETIN,

MADRAS.

SIR,

The notes on the condition of weaving industry in the East Coast districts by Mr. N. Subrahmania Aiyar and the remarks of Mr. A. Chatterton with the Government Order thereon, have been published. They contain very useful information about the Industry. It would be desirable to have similar notes with reference to other districts of the Presidency.

These papers show that the weavers are poor and miserable; that the industry is decadent but that it can be improved and that no time should be lost to take steps in the matter. They further show that interest should be taken by others than weavers if any real relief is to be afforded to the latter; for with a little effort on the part of a few gentlemen here and there the fly-shuttle loom has been introduced in several districts since the middle of the last decade and a real improvement has been effected in the income of the weavers.

The weaver needs money for successfully carrying on his business. He now gets it from the middleman and the latter expects the loan to be repaid in cloth. He does not hurry to recover it regularly or completely. This slackness on the part of the merchant-creditor proves the ruin of the independence and the prosperity of the weaver. It is absolutely necessary for the good debtor that regularity in repayment should be insisted on. A co-operative society supplies money to its members and also insists on punctuality in repayment, at the same time allowing easy instalments. It would therefore be very kind of the Registrar of Co-operative Societies if he would look into the places noted in the notes and establish co-operative societies at all of them.

2. Besides money, the weaver requires yarn for his business. And this should be cheap so that he may be able to produce a cheap cloth. A co-operative society in which weavers also are members, can conveniently buy yarn at wholesale rates and retail it to its

weaver-members. This would be cheaper to them, for the profits of the yarn trade which now go into the pockets of others, would then find their way into those of the weavers and thereby ameliorate their condition.

3. From the notes, we learn that in some villages there are people who make it their sole business to warp and size. These sizers, with the help of capital which might be borrowed from a co-operative society, formed in their village, could buy yarn and a warping mill (a cheap warping mill can be had for Rs. 35) and sell warps ready made for the loom. This would facilitate the work of weavers and be of profit to the sizers as well.

4. It is easy work for one co-operative society to communicate with another. If co-operative societies undertake the selling of clothes to their members, they can ascertain in advance the quantity and kind of clothes required by their members and supply them from other societies where there are weaver-members, thus helping to remove the difficulty usually experienced by weavers in finding a market for their finished products.

5. The real solution of the weaver's difficulties lies in the rousing up of the spirit of self-help among them by combining them into associations. A co-operative society is the place where such a spirit may be roused and fostered. It is further a school where men and women learn self-respect and decency, and reform their character. The weak point of a weaver is in his manners and habits and to improve them he must join a co-operative society.

CONJEEVERAM,
7th July 1912.

Yours faithfully,
P. RAMACHANDRA SASTRY.

To

THE EDITOR,

THE MADRAS BULLETIN OF CO-OPERATION, MADRAS.

Sir,

It is reported that the co-operators of Tozhur in the District of Chingleput, very recently adopted a by-law, allotting a portion of profits arising out of their co-operative dealings, for purposes of Education. All honour to them. They should be heartily congratulated on their wisdom and foresight as well as on their sympathy with the poor of their village. For education, be it only in the three Rs., lies at the root of progress, moral and material. The co-operators form an important body of men and women, destined sooner or later to include every adult person in the land, if he is only honest and cares for his welfare. If such a growing body of men resolve to have education for their children, there will come into existence a strong popular movement on its behalf, and people will then come to realise their real needs and find means of remedying them. Though they may not be able all at once to have schools on up-to-date lines they will in time come up to the mark with the help and guidance of the Educational Officers of Government. The important thing is not so much the schools themselves as the desire to have them and the striving to have them managed by the people themselves. They have to learn to respect themselves, and self-respect will not come to them unless and until they give up the habit of looking to others for giving them what they need. Effort from within is the *sine qua non* of true progress. With the desire will come the ability to find the necessary funds. For we daily spend money on a thousand things in the name of charity or pleasure, and knowing as we shall do that education is the best from of charity, we shall come to discriminate and turn money into channels of usefulness to our fellow beings. I appeal to all co-operators in the land to study and to follow the noble example of the Tozhur Co-operators.

CONJEEVERAM,
7th July 1912.

Yours faithfully,
P. RAMACHANDRA SASTRY.

GLEANINGS.

——:(o):——

One way to diffuse credit.

(Extract from the World's Work, April 1912. Quoted in 'Co-operation in Agriculture.')

There is one side-aspect of banking as we practice it that is neglected in most current financial discussion; and that is the diffusion of credit. Numerous as our banks are and capable as most of their officers are, banking is yet done too much by and for a class. Many of our banks do not serve as many of the people as they ought—as many of the "small" people, have not yet established banking credit. This too-exclusive method is part of our traditions and our history. Our conception of a bank is of an institution to serve the prosperous.

Yet almost every man who has a stable place of abode is a possible profitable borrower, and the poorer he is the more he needs credit. They have proved in nearly all the continental countries that poor men, very poor men, can by a proper system be made the safest kind of borrowers; and the process builds up the man as no other experience can.

In Germany, which was the birth-place of co-operative credit banks that have spread almost over the whole of Europe and have been introduced successfully even in India, the smallest shopkeeper or the smallest farmer—men far below the economic class that have credit in our banks—can borrow money for any productive purpose. The latest accessible German report shows that more than £40,000,000 a year are so lent with a negligible percentage of loss. The two important lessons that this experience has for us are these:

A man who establishes and maintains a bank credit not only widens his activities and opportunities and puts himself in an

economic class far above men who have no such credit; he does more than that—he develops his own character and trustworthiness and his own productivity by such an experience as he could develop them in no other way.

In the second place, by developing all the possible good borrowers within its area, a bank serves its highest purpose and does its greatest usefulness. The main point comes here; and it is this: the more money a bank can profitably keep within its own neighbourhood, the better for the bank and better for the neighbourhood. Such a condition prevents the easy flow of its deposits to the great money centres.

In other words, one great evil, perhaps the greatest evil, of our present financial system would be removed by (let us say) the doubling of the number of safe borrowers from banks within their home areas. The credit or co-operative banks of the Continent have gone far toward working out this very result.

True, these credit banks are not banks at all in our sense of the word. They are merely borrowing societies of poor men. But they become outlets of enormous value to the banks that have money to lend. They are important agencies in drawing money into productive pursuits and consequently away from speculative centres.

From the Co-operative News.

Mr. Wardle M. P., and Co-operation:—Mr. G. J. Wardle, M. P. speaking at Walthamstow recently, on the subject of "Trade Unionism and Co-operation" said the Co-operative movement in many cases placed more consideration upon dividend than it did upon wages, and had not always treated its employes as trade unionists wished. But, taken on the whole, co-operative societies paid good wages and have good conditions. The time would come when the principles underlying the two movements would be embodied in every industry and in the daily life of the people.

The "International" of 1915:—The Co-operative Journal published at Oakland, California, discusses the possibility of holding an International Co-operative Congress in San Fransisco during the Exhibition in 1915. "But" says our contemporary, "to

make it possible, and to have it the success that all desire, there is a great amount of work to be done. When the International Co-operative Alliance met a few years ago in Europe, there were delegates from 18 different countries of the world, and it was estimated that they represented about 50,000,000 co-operators. When it meets in San Francisco, it should represent more countries and double the number of co-operators. We must get the Farmers Union, and all Rochdale stores on our coast and in the east and in Canada, the Right relationship League, the Grange, and the fruitgrower's organisations, hearty co-operation, and have each organisation appoint a committee to help in the work. As soon as that is done, have the several committees meet, and organise an executive committee to make plans and carry out the work.

Circulars and Departmental Orders.

Circular dated 12th July 1912.

All co-operative societies are hereby informed that at a meeting held on the 9th June 1912 the Madras Central Urban Bank, Limited, passed the following resolutions:—

"12. Resolved that when societies make part payments of loans on and after the 1st July 1912 counter-interest may be allowed on repayment of Rs. 50 and exact multiples thereof."

"19. Resolved that from and after the 1st July 1912 in the case of loans disbursed to rural and urban societies by this Bank up to the 15th of a calendar month interest shall be charged for, from the 1st of that month, butin the case of such loans disbursed on and after the 16th of a calendar month interest shall be charged for half a month, instead of as hithertofore for the full month; and resolved also that the same principle be applied to the repayment of loans by the rural and urban societies to this bank."

Circular dated 12th August 1912.

2. The Registrar desires to impress upon Honorary Organisers the importance of seeing that no person is induced to join a society in the hope of getting a loan when there is no possibility of his getting it. For instance, a society with 30 members whose net assets amount to Rs. 30,000 may expect a loan of Rs. 3,000 or an average of Rs. 100 to each member. If 60 members are induced to join in the expectation of getting an average loan of Rs. 100 each, it must necessarily happen that half the number of members will remain for a long time—perhaps for ever—discontented and disappointed members and if, as sometimes happens, members have *borrowed money at usurious rates of interest* in order to purchase shares, the injustice of having led them to join the society on a misrepresentation of what they have to expect becomes almost criminal. Such cases have come to the Registrar's notice and the acme of injustice is reached when disappointed members who claim a refund are told that they must wait for five years before the share money can be refunded to them. For these reasons it is more than ever necessary that a full statement of assets and debts of each intending borrower from a society should accompany the application for its registration and the fulfilment of this condition will, in future, be rigorously insisted on.

NOTIFICATIONS.

The following Government Order (No. 1636, Revenue dated 4th June 1912, communicated with B.P. No. 346 dated 20th June 1912) is published for the information of honorary organizers of Co-perative Societies:—"The Board of Revenue is authorized to grant travelling allowance to honorary organisers of co-operative societies, subject to the conditions laid down in the Government of India's Circular No. 4-106-1, dated 4th February 1907 recorded in G. O. No. 136, Financial, dated 26th February 1907. Travelling allowance should be paid for not more than two visits for organising and one for starting a society."

The Madras Central Urban Bank Ltd.,

Audit order by the Registrar of Co-operative Societies, Madras.

The accounts of the Madras Central Urban Brnk, Limited, for the year ending 30th June 1912 have been audited in detail by the Special Deputy Collector, M.R.Ry. P. Minakshisundaram Pillai, Avl., B.A. The usual three statements, (1) Receipts and Disbursements, (2) Profit and Loss for the year, and (3) Balance Sheet on 30th June 1912 have been furnished by him.

2. During the year under review, the Bank earned a net profit of Rs. 42,537-10-9. Under by-law No. 17 of the Bank, one-fourth of the net profits viz., Rs. 13,634-6-8 should be carried to the credit of the reserve fund. The Bank is requested to invest this sum in the Bank of Madras, Madras. With this amount, the total reserve of the Bank is Rs. 40,634-6-8. One-eighth of the net profits, viz., Rs. 5,317-3-4 should be paid to the Secretary or Assistant Secretary as the Board of Management might direct. The remaining sum of Rs. 26,586-0-9 is available for distribution as dividend, bonus or otherwise as the Bank may decide.

3. The Registrar is glad to be able to congratulate the Management upon another year of continued phenomenal success. The total assets of the Bank on the last day of the year 1911-12 were Rs. 22·36 lakhs against Rs. 14·78 lakhs on the last day of 1910-1911. On the side of liabilities, deposits by members rose from Rs. 7.18 lakhs on 30th June 1911 to Rs. 10·59 lakhs on 30th June 1912 and deposits by non-members from Rs. 4·26 lakhs to Rs. 6·61 lakhs. Under net profit there was a like increase of 50 per cent. i.e., from Rs. 28,787 to Rs. 42,537. The amount of loans to societies during the year rose from Rs. 8·17 lakhs to Rs. 8·73 lakhs and the number of loans from 381 to 432. The total amount due from societies to the Madras Central Bank at the end of the years 1910-11 and 1911-12 were respectively Rs. 14·14 lakhs and Rs. 20·69 lakhs. The slightly increased proportion of profit to outstanding loans (from 2·03 per cent. to 2·05 per cent) was presumably due to the Bank having opened current accounts during the year 1911-12.

4. On 23rd December 1911 there was a change of Secretaryship owing to the resignation of Sir V. C. Desikachariar who had been Secretary to the Bank since its foundation and whose invaluable services to the cause of co-operation in this Presidency deserve to be placed once more on record. The present Secretary M.R.Ry. V. C. Rangaswami Aiyangar, Avl., B.A., has been unsparing in his efforts to keep up the high standard of efficiency established during the tenure of office of his predecessor.

5. The Registrar is glad to note that his suggestions as to increase of establishment have been given effect to by the Management.

6. The internal audit of the Bank's accounts was carried out by one of the Directors but it is desirable that the work should be entrusted to some person unconnected with the Directorate. The only other point that the Registrar would like to note is that the Central Bank makes at present no definite allocation for the inspection of its client societies beyond the abatement of $\frac{1}{80}$ of the interest allowed to Unions for supervising and inspecting their affiliated societies. Every Bank, by universal custom, sets apart some portion

of its income for inspection and it is time in the opinion of the Registrar that the Central Urban Bank did so.

The accounts have again been very carefully audited by M.R.Ry. P. Minakshisundaram Pillai, Avl., B.A., Special Deputy Collector for Co-operative societies, and the Registrar is glad to note that thanks to the adoption by the Management of many of the recommendations made by him last year, the list of audit objections this year has been materially reduced.

Office of the Registrar of Co-operative Societies, Chepauk, Madras.
Dated 16th August, 1912.

(Sd.) L. D. SWAMIKANNU,
Registrar.

Receipts.

	Rs.	A.	P.
Share payments	1,00,350	0	0
Entrance fees	2,008	0	0
Deposits by members	13,90,680	12	6
Loans from non-members (includes amount withdrawn from the Bank of Madras Current Account)	20,52,689	5	3
Loans repaid by members	67,525	0	0
Loans repaid by other societies	2,17,882	0	0
Interest received	1,14,674	6	3
Adjusting heads	1,77,584	13	3
Other income (excluding entrance fees) ...	41,724	6	4
Total income	41,65,118	11	7
Opening balance	345	7	0
Grand total of receipts including opening balance	41,65,464	2	7

Disbursements.		Rs.	A.	P.
Share capital withdrawn ...	...	300	0	0
Deposits withdrawn	...	10,49,686	7	0
Loans repaid to non-members (includes remittance sent to Bank of Madras Current Account)	...	17,88,705	10	1
Loans to members	...	66,060	0	0
Loans to other societies ...	...	8,72,950	0	0
Interest paid on loans and deposits...	...	73,638	11	0
Dividend and bonus and Honorarium paid	...	15,106	6	2
Establishment and Contingencies ...	...	6,203	10	8
Adjusting heads	...	1,72,264	13	11
Other items	...	96,762	7	8
Carried to Reserve (actually paid) ...	...	19,152	0	0
Total expenditure	...	41,60,830	2	6
Closing balance with the Secretary ...	...	4,634	0	1
Grand total of expenditure including closing balance.	...	41,65,464	2	7

Profit.		Rs.	A.	P.
Interest earned	...	1,26,887	14	0
Other items	...	6,576	4	7
Total	...	1,33,464	2	7

Loss.		Rs.	A.	P.
Interest paid and due	...	84,064	0	0
Establishment and Contingent charges paid and due		6'350	10	8
Other items	...	511	13	2
Total	...	90,926	7	10
Net profit (plus)	...	42,537	10	9

Assets.				Rs.	A.	P.
Cash on hand			...	4,634	0	1
Other investment (Government Promissory Pronotes nominal value Rs. 70,000)			...	66,852	4	0
Loans due by members ...			...	22,785	0	0
Loans due by other societies ...			...	20,68,768	0	0
Interest due on loans issued to members and other societies, and not collected			...	40,959	2	5
Other items Reserve fund.	Rs.	30,000 0 0	...			
Interest on the Reserve fund and interest on Government Promissory notes.		2,121 0 8	...			
Value of furniture ...		683 0 0		32,804	0	8
Total assets.			...	22,36,802	7	2

Liabilities.		Rs.	A.	P.
Loans from non-members ...	...	8,40,617	0	2
Interest due on loans from non-members	...	16,252	5	9
Share capital	...	2,00,050	0	0
Deposits by members	...	10,59,356	6	6
Interest due on member's deposits ...	...	26,343	7	0
Dividend, bonus and honorarium due to members		243	12	3
Establishment and contingent charges in arrear...		250	0	0
Other items.	...	21,151	12	9
Reserve fund	...	30,000	0	0
Total liabilities	...	21,94,264	12	5
Profit (plus)	...	42,537	10	9

(Sd.) P. MINAKSHISUNDARAM PILLAI,

Spl. Dy. Collector, Bezwada Section.

Audit Report of the Salem District Urban Bank, Limited No. 151 for the Co-operative year 1911-1912.

I beg to submit the following report on the audit of the accounts of the Salem District Urban Bank, Limited, for the year ending 30th June 1912.

2. *Members.*—The year began with 73 members on the rolls. Three members were admitted during the year as transferees and four ceased to be members. The number of members at the end of the year was thus 72.

3. *Share capital.*—The capital of the Bank consists of 200 shares of Rs. 500 each. All the 200 shares had been taken up in previous years and the transactions shown under this head during the year relate to the transfer of shares. A sum of Rs. 1,200 was thus received and paid off. Only three calls of Rs. 50 each have been made till now and the paid-up share capital on the last day of the year was therefore Rs. 30,000.

4. *Borrowings.*—The transactions under this head were as shown below.—

	Held at the beginning of the year.	Received during the year.	Paid off during the year.	Held at the end of the year.
Fixed deposits				
1 Members	33,750 0 0	18,050 0 0	9955 0 0	41,845 0 0
2 Non-Members.	25,247 8 0	16,825 0 0	11422 8 0	30,650 0 0
Reserve funds of Societies	18,311 13 9	11,772 1 10		30,083 15 7
Borrowings from the Madras Central Urban Bank Ld.	9,000 0 0		9000 0 0	
2 Trichinopoly District Urban Bank	30,000 0 0		30000 0 0	
3 Salem Urban co-operative Society	816 4 0	44,450 14 2	40462 12 10	4,804 5 4
4 Indian Bank	1,58,000 0 0	61,500 0 0	55206 11 4	2,64,293 4 8
Total ...	2,75,125 9 9	1,52,598 0 0	156,047 0 2	271,676 9 7

It will be observed that there was a small increase in deposits but that was not sufficient. The Bank had to borrow from the Indian Bank and elsewhere. The Salem Urban Co-operative Society was a great help to the District Bank. Though the option of depositing and withdrawing money rested with the co-operative Society—for the deposits made by that society was of a current nature—yet the District Bank got money whenever it was in need of it. Investment in a co-operative district bank is perfectly safe. The rich people of Salem should understand this and deposit their savings in the District Bank. Until this is done the benefits of co-operative societies cannot be extended to many villages in the district which urgently require them.

5. *Loans.*—Only a sum of Rs. 50,070 was advanced during the year to societies. The amount repaid was Rs. 55,922-0-10. The sum outstanding at the beginning of the year was Rs. 3,09,686-8-0. Therefore the amount outstanding at the end of the year was Rs. 3,03,834-7-2. Adding to this amount, the sum of Rs. 2,850 pending recovery from members on the last day of the year the total sum outstanding was Rs. 3,06,684-7-2.

6. *Defaulting societies.*—It sould be said that generally the societies in the district repay their dues punctually but there are some that default occasionally. A list of societies that were in default on 30th June 1912 is furnished separately.

7. *Profits of previous years:*—

The Reserve fund.—The amount to the credit of the Reserve fund at the beginning of the year was Rs. 1,025-5-3. To this amount was added a sum of Rs. 1,033-5-10 out of the profit of the previous year. The total on the last day of the year was thus Rs. 2,058-11-1. The entire amount was with the Madras Central Urban Bank, Limited.

Dividend Equalisation Fund.—There was a sum of Rs. 1,151-13-4 to the credit of this fund at the beginning of the year. On the last day of the year the amount in that fund was Rs. 1,309-7-10.

Dividend.—The amount pending payment at the close of the penultimate year was Rs. 117-10-0. The sum ordered to be paid during the year was Rs. 2,642-7-0. The amount actually paid was Rs. 2,737-8-0. The amount pending payment on the last day of the year was Rs. 22-9-0.

Honoraria.—There was no amount pending under this head either at the beginning of the year or at the end of the year. The sum of Rs. 300 ordered to be paid was actually paid to the Secretary during the year.

8. *Receipts and Disbursements.*—The transactions of the bank during the year were as shown below:—

Receipts.	Rs. A. P.	Rs. A. P.
1. Share subscriptions. ...	...	1,200 0 0
2. Tranfer fees ...	...	39 0 0
3. Deposits.—Members	18,050 0 0	
Non-members	16,825 0 0	
Reserve funds	11,772 1 10	
		46,647 1 10
4. Borrowings from		
(1) Salem Urban Co-operative Society	44,450 14 0	
(2) Indian Bank	61,500 0 0	
		1,05,950 14 0
5. Loans repaid by		
(1) Members	1,000 0 0	
(2) Societies	55,922 0 10	
		56,922 0 10
6. Interest received		22,558 3 4
7. Adjusting heads:		
Bank of Madras	32 11 8	
Suspense	2,382 5 9	
		2,415 1 5

8. Other income:—				
(1) Penal interest	32 0 0			
Remittance charges	2 1 4			
Interest on reserve fund	53 14 1			
			87 15 5	
Total			2,35,820 5 0	
Add opening balance			414 6 0	
			2,36,234 11 0	
Disbursements.			Rs. A. P.	
1. Share capital paid off	...	...	1,200 0 0	
2. Deposits paid off:—Members	9,955 0 0			
Non-members	11,422 8 0			
			21,377 8 0	
3. Borrowings paid off:—				
(1) Salem Urban Co-operative Society ...	40,462 12 10			
(2) Indian Bank ...	55,206 11 4			
(3) Madras Central Urban Bank ...	9,000 0 0		1,34,669 8 2	
(4) Trichinopoly District Urban Bank ...	30,000 0 0			
4. Loans disbursed:—				
(1) to members ...	3,400 0 0			
(2) to societies ...	50,070 0 0			
			53,470 0 0	
5. Interest paid on loans and deposits		...	16,844 1 1	
6. Dividend and bonus paid ...		...	3,037 8 0	
7. Establishment and contingencies		...	462 13 8	
8. Adjusting heads:—				
Advance (Entrance fees)	15 0 0			
Suspense	2882 5 4			
			2,397 5 4	
9. Paid to Reserve ...	...	...	1,033 5 10	
	Total	...	2,34,492 2 1	
Add closing balance	...	...	1,742 8 11	
	Grand Total	...	2,36,234 11 0	

9. The bank worked at a net profit of Rs. 5,569-7-8 as shown below.

Profit.

				Rs.	A.	P.
1. Interest earned :—		Rs.	A. P.			
Realised ...	...	22,558	3 4			
Pending realisation	...	5,274	2 0			
Total ...	...	27,832	5 4			
Deduct amount pending realisation at the close of the previous year ...	...	5,031	10 4	22,800	11	0
2. Transfer fees	...			39	0	0
3. Other items...	...			87	15	5
Total. ...	...			22,927	10	5

Loss.

				Rs.	A.	P.
1. Interest paid and due						
Paid ...	...	16,844	1 1			
Pending payment	...	5,142	15 5			
Total ...	...	21,987	0 6			
Deduct amount pending payment at the end of the previous year		5,082	6 5			
				16,904	10	1
2. Establishment charges paid and due			...	447	4	8
3. Depreciation of furniture	...		....	6	4	0
			Total ...	17,358	2	9
			Net profit ...	5,569	7	8

Of this amount of Rs. 5,569-7-8, one fourth or Rs. 1,392-5-11 should be carried to the credit of the reserve fund. Rs. 300 should be paid to the Secretary as honoraria. The balance, Rs. 3,877-1-9 is available for distribution as dividend among the share holders. The committee will be well advised to recommend a dividend of 9 per cent on the paid up share capital. Whatever remains after paying dividend at this rate may be carried to the Dividend Equalisation fund.

10. The assets and liabilities of the Bank stood as shown below on the 30th June 1912.

Assets.

				Rs.	A.	P.
1. Cash on hand				1,742	8	11
2. Loans outstanding against						
1 Members	2,850	0	0			
2 Societies	303,834	7	2			
				3,06,684	7	2
3. Interest pending realisation				5,274	2	0
4. Value of furniture				20	0	0
Total				3,13,721	2	1

Liabilities.

				Rs.	A.	P.
1. Share capital				30,000	0	0
2. Deposits from						
1 Members	41,845	0	0			
2 Non-members	30,650	0	0			
3 Reserve funds	30,083	15	7			
				1,02,578	15	7
3. Borrowing						
1 Salem Urban Co-operative Society	4,804	5	4			
2 Indian Bank	1,64,293	4	8			
				1,69,097	10	0
4. Interest pending payment				5,142	15	5
5. Dividend due to members				22	9	0
6. Dividend equalisation fund				1,309	7	10
7. Suspense account				0	0	7
Total				3,08,151	10	5
Net profit				5,569	7	8

General Remarks.—The Bank convened and held 2 general and 11 committee meetings. The papers were generally circulated and the orders of the committee were obtained in that way. The

accounts have been correctly maintained but in regard to the method of account keeping adopted in regard to certain items I shall make a separate report.

The Secretary says that he inspected about 25 societies during the year. The time has come, I think, for the District Bank to undertake a systematic inspection of societies under its control.

MADRAS, *15th July 1912.* } (Sd.) K. DEIVASIKHAMANI, *Chief Inspector of Co-operative Societies.*

Audit Order by the Registrar of Co-operative Societies, Madras.

The accounts of the Salem District Urban Bank, Limited, 151 for the year, 1911-12 as audited by M. R. Ry. K. Deivasikhamani Mudaliar are passed.

2. The Bank earned during the year under review a net profit of Rs. 5,569-7-8 which should, under by-law 19, be divided as follows:—

(a) To the Reserve Fund ...	Rs.	1,392	5 11
(b) Honorarium to the Secretary to be paid on his receipt		300	0 0
(c) Amount available for distribution as dividend		3,877	1 9
		5,569	7 8

3. The suggestion of the auditor in para 9 of his report is recommended for consideration by the Board of Management.

4. The Bank is requested to remit to the Madras Central Urban Bank Rs. 1,392-5-11 to be invested therein to the credit of the reserve fund. With this amount, the total in that fund will come up to Rs. 3,451-7-0.

5. The Secretary of the Salem District Urban Bank, Limited, Mr. T. Adinarayana Chettiar has worked with his usual energy both in administering the affairs of the Bank and in inspecting rural societies, but the affairs of the Bank are not yet in a flourishing condition, although it is still able to pay a good dividend. Depositors seem to fight shy of the Bank, and the Registrar can only hope that as the country at large gets better to understand co-operative ideas, the bank will find larger and readier support from the public.

Office of the Registrar of Co-operative Societies, Madras, 25th July 1912. } (Sd.) L. D. SWAMIKANNU, *Registrar.*

Audit Report of the Coimbatore Dt. Urban Bank, Limited, for the year 1911-1912.

I beg to report on the audit of the accounts of the Coimbatore District Urban Bank, Limited, for the year ending 30th June 1912.

2. The year began with 116 members. There were 25 fresh admissions and 2 transfers, making the total for the year 27. Removals during the year numbered 7. Of these 2 were withdrawals under by-law 2, 2 were due to transfer of shares and the remaining 3 were due to death. Thus the membership of the Bank on the last day of the year stood at 136.

3. Paid up share capital at the beginning of the year was Rs. 19,330. Out of 87 shares surrendered by past members, 81 shares were reallotted and a sum of Rs. 2,220 was collected during the year, this sum including a few payments of third-call money issued during the period, but subsequently cancelled by the Board. Share capital paid off during the year amounted to Rs. 1,750. The Bank's liability on account of its paid up capital at the end of the year, therefore amounted to Rs. 19,880. This latter sum includes Rs. 40 returnable on account of the third call cancelled.

4. During the first nine months of the year the Bank was just able to meet the stray demands made upon it, but after the inclusion of the Nilgiris in January and the formation of new societies in the district itself, the monthly demand nearly trebled and the situation became a bit serious. Fortunately, however, the Board found it possible to manage easily, because in addition to the deposits from non-members received in the usual course, a sum of Rs. 95,000 was secured through the intervention of the Registrar from Trichinopoly. Since April, local deposits have also increased and it is worthy of note that a few European gentlemen are among the depositors, while a sum of Rs. 10,000 with prospects of more deposits from the local Janopakara Nidhi is likewise noteworthy and indicates fine possibilities for the Bank in this direction. The Board, therefore have done well to extend their operations to the district of South Canara also, as they did in May.

The Bank's borrowings for the year are exhibited below.—

	Rs.	A.	P.
Deposits of members	17,254	6	4
Deposits of non-members	1,14,665	3	7
Reserve Funds of rural societies	1,913	1	10
Other borrowings from non-members ...	15,476	9	0
Trichinopoly District Urban Bank ...	32,400	0	0
Total	2,15,709	4	9

Repayments made against borrowings were as below.—

Deposits of members	5,905	0	0
Deposits of non-members	14,472	4	0
Madras Central Urban bank, Limited ...	21,300	0	0
Trichinopoly District Urban Bank, Limited. ...	32,000	0	0
Other borrowings of non-members ...	5,476	9	0
Total	79,153	13	0

Deposits and other borrowings held by the Bank at the beginning and end of the year were as below:—

At the beginning of the year 1911-1912.

	Rs.	A.	P.
Deposits of members	4,085	0	0
Deposits of non-members	5,240	0	0
Madras Central Urban Bank, Ltd. ...	21,300	0	0
Trichinopoly District Urban Bank, Ltd ...	36,000	0	0
Total	66,625	0	0

At the end of the year 1911-1912.

	Rs.	A.	P.
Deposits and other borrowings of members ...	15,434	6	4
Reserve funds of rural societies	1,913	1	10
Deposits of non-members	1,39,432	15	7
Trichinopoly District Urban Bank, Ltd. ...	36,400	0	0
Other borrowings of non-members ...	10,000	0	0
Total	2,03,180	7	9

It will be observed that while the transaction of the Bank on its borrowing side has more than trebled itself during the report period, the deposit of members has increased by only about Rs. 11,000, as against an increase of over Rs. 1,34,000 under deposit of non-members.

5. The Bank pays interest on deposits at rates varying from 3 to 6 per cent. *per annum*. The only considerable exception is the loan from the Trichinopoly District Urban Bank which bears 7 per cent. interest while a few others bear 6¾ per cent. Interest paid and accrued during the year were as follow.—

	Paid.			*Pending payment.*		
	Rs.	A.	P.	Rs.	A.	P.
Deposits and other borrowings of members	147	14	2	395	7	11
Borrowings from non-members	453	1	4	2,475	7	3
Loans from the Madras Central Urban Bank, Ltd, and other co-operative societies	4,658	13	9	804	11	5
Total	5,259	13	3	3,675	10	7

6. The number of societies indebted to the Bank at the end of the year was 43 as against 26 of the previous year. 64 loans with Rs. 88,050 were outstanding with societies at the beginning of the year. 47 loans for Rs. 84,200 were issued during the year. Of the 111 loans of the total value of Rs. 1,72,250, five were completely discharged and 15 partly. The total amount realised was Rs. 8,950. One loan of Rs. 1,300 was overdue from No. 185 Kykolapalaiyam Rural Society, while six others with Rs. 6,600 fell due on 30th June. Thus Rs. 1,63,300 were outstanding against societies at the close of the year.

7. Loans amounting to Rs. 4,495 were issued to members during the year. Rs. 75 were outstanding on the account at the beginning of the year. Recoveries during the year amounted to Rs. 2,970. The amount outstanding with members at the end of the year was therefore Rs. 1,600.

8. Interest realised during the year amounted to Rs. 6,702-0-0. The amount pending realisation was Rs. 4,175-1-7. Out of the latter amount, a sum of Rs. 528-12-0 was due on 30th June of which Rs. 378-12-0 has since been recovered. In this connection it may be noted with satisfaction, that demand notices and reminders are issued to defaulting societies and prompt steps are taken for recovering dues.

9. The establishment of the Bank consists of one clerk on Rs. 15 per mensem. Charges incurred during the year amounted to Rs. 195.

10. Contingent charges incurred during the year amounted to Rs. 191-14-9. In the interests of the Bank the expenditure was unavoidable and reasonable. Vouchers have been obtained in all cases. Out of Rs. 10 debited for coronation day celebration there is a balance of Rs. 1-14-0. The Secretary intends buying a picture of Their Majesties with it and he has been requested to do it at an early date or credit it to the Bank.

11. The Bank has earned a net profit of Rs. 2,128-6-5 during the year. Under by-law 17, ¼ of this, *i. e.*, Rs. 532-1-7 should be carried to the reserve fund. This, together with Rs. 142-12-11 invested to the credit of that fund during the year, makes Rs. 674-14-6,

⅛ of the net profits *i. e.*, Rs. 266-0-9 should be paid as honorarium to the Secretary and the balance Rs. 1,330-4-1 is, therefore, available for distribution as dividend together with Rs. 6-12-6 the amount of undisbursed bonus out of the dividend declared for 1910—1911.

⅝ of the net profits of the year *viz.*, Rs. 1,330-4-1 referred to above will hardly give a 9 per cent. dividend on the paid up share capital. The amount required for a 9 per cent. is Rs. 1,752-12-7 as will be explained below, and the Board will not be well advised in offering less. For, in the first place, the Dividend Equalisation Fund was created with this same object in view, and as it may be fairly expected that, in future years it may not have to be drawn upon, if the progress shown in the last quarter of the year reported on is kept up, as there is every reason to believe it will be, no great harm is likely to result from drawing Rs. 422-8-6 out of it for this year's need. In the next place, the shares of the Bank have just become attractive to the public and it is bad policy for the Board to do anything calculated to make them less so. A 9 per cent. dividend is, therefore, strongly recommended and it will need withdrawing of Rs. 422-8-6 from the Dividend Equalisation Fund. The following statement shows how the amount payable as dividend works out to Rs. 1,752-12-7 as already referred to :—

(*a*) on Rs. 50 for $4\frac{1}{2}$ months or $11\frac{1}{4}$ units at Rs. 20 per unit per share.

(*b*)	,,	60	for	4	,,	12 ,,
(*c*)	,,	640	for	$4\frac{1}{2}$	,,	144 ,,
(*d*)	,,	820	for	5	,,	205 ,,
(*e*)	,,	480	for	$6\frac{1}{2}$	,,	156 ,,
(*f*)	,,	720	for	7	,,	252 ,,
(*g*)	,,	40	for	$10\frac{1}{2}$	,,	21 ,,
(*h*)	,,	18140	for	12	,,	10884 ,,
						$11685\frac{1}{4}$

The total sum required at Rs. 0-2 2/5 as. per unit on $11,685\frac{1}{4}$ units or on Rs. 2,33,705 for one month at 9 per cent. comes to Rs. 1,752-12-7.

12. During the year under report 3 general and 11 committee meetings were held, of which, it is satisfactory to note none broke up for want of quorum.

13. The bank worked during the report year on the whole satisfactorily and very satisfactorily during the last quarter. On the results achieved the Secretary M. R. Ry. C. N. Krishnaswami Aiyar has to be congratulated; and the services of Messrs. C. Nagoji Rao and C. V. Visvanatha Aiyar of the Board who have been evincing much real interest in the affairs of the bank deserve special mention.

14. The usual three statements of Receipts and Disbursements Profit and Loss account and Balance sheet are hereto appended.

Receipts.

	Rs.	A.	P.
Share payments	2,220	0	0
Entrance fees	162	0	0
Deposits by members	17,254	6	4
Loans from other societies	32,400	0	0
Loans from non-members	1,66,054	14	5
Loans repaid by members	2,970	0	0
Loans repaid by other societies	8,950	0	0
Interest received	6,702	0	0
Adjusting heads	52,967	12	9
Other income	43,092	14	4
Total income	3,32,773	15	10
Opening balance	737	9	1
Grand total including opening balance ...	3,33,511	8	11

Disbursements.

	Rs.	A.	P.
Share capital withdrawn	1,750	0	0
Deposits withdrawn	5,905	0	0
Loans repaid to other societies	53,300	0	0
Loans repaid to non-members	19,948	13	0
Loans to members	4,495	0	0
Loans to other societies.	84,200	0	0
Interest paid on loans and deposits ...	5,259	13	3
Dividend and bonus paid	710	15	6
Other items	1,04,520	14	0
Establishment and contingencies	386	14	9
Adjusting heads	52,699	15	7
Carried to Reserve (actually paid) ...	142	12	11
Total	3,33,320	3	0
Closing balance:—			
In hand with the Secretary Rs. 189 4 4			
In the Bank of Madras 2 1 7	191	5	11
Grand total of expenditure including closing balance	3,33,511	8	11

Profit and Loss statement.

Profit.

	Rs.	A.	P.
Interest earned	9,189	1	9
Other items	193	7	0
Total	9,382	8	9

Loss.

Interest paid and due	6,897	14	7
Establishment and Contingent Charges paid and due	350	1	9
Depreciation in value of furniture... ...	6	2	0
Total	7,254	2	4
Net profit plus ...	2,128	6	5

Balance Sheet on 30th June 1912.

Assets.

		Rs.	A.	P.
Cash on hand	... ...	191	5	11
Other investments	... ...	(a) 61,426	3	0
Loans due by members	... ...	1,600	0	0
Loans due by other societies	... ...	1,63,300	0	0
Interest due and not collected	... ...	4,175	1	7
Value of furniture and stock on hand	...	72	0	0
Remittance charges advanced to societies	...	3	11	4
Total assets	... ...	2,30,768	5	10

Liabilities.

		Rs.	A.	P.
Loans from other societies	... ...	36,400	0	0
Loans from non-members	... ...	1,51,346	1	5
Interest due on above items	... ...	3,280	2	8
Share capital	... ...	19,800	0	0
Deposits by members	... ...	15,434	6	4
Interest due on members' deposits	... ...	395	7	11
Dividend due to members	... ...	6	12	6
Dividend Equalisation Fund	... ...	1,698	10	9
Suspense account	... ...	278	5	10
Total liabilities	... ...	2,28,639	15	5
Net profit (plus)	... ...	2,128	6	5

(Sd.) C. N. KRISHNASWAMI,

Coimbatore, 17th July 1912. *Inspector.*

Audit order by the Registrar of Co-operative Societies, Madras.

The accounts of the Coimbatore District Urban Bank, Limited, for the year 1911-1912 as audited by the Inspector, M. R. Ry. C.N. Krishnaswamy Aiyer are passed.

During the year under review, the bank earned a net profit of Rs. 2,128-6-5 which should, under by-law 17 be divided as follows:—

1. Reserve Fund.	... Rs.	532	1	7
2. Honorarium to the Secretary		266	0	9
3. Amount available as distribution as dividend		1330	4	1

The bank is requested to remit Rs. 532-1-7 to the Madras Central Urban Bank, Limited, for being invested therein. With this amount the total reserve of the bank is Rs. 674-14-6.

The bank on the whole worked satisfactorily during the year under report though it experienced some difficulty at the beginning. The transactions during the year under all items were treble those of the previous year. Two other Districts, Nilgiris and South Canara, have been added to its jurisdiction and the bank has been able to satisfy promptly the demands from a large number of societies. Credit is due to the Secretary M. R. Ry. C. N. Krishnaswamy Aiyer, Avl., M.A., L.T., whose zeal in the cause of co-operation is an important factor in the success of the Bank. The Registrar also notes with pleasure the disinterested services rendered by M.R.Ry. Rao Bahadur C. Nagoji Row, Avl. and M. R. Ry. Vasudeva Aiyangar, Avl. It is a good feature that the society has gained the confidence of a local Nidhi and of some local European residents.

Office of the Registrar of Co-operative Societies, Chepauk, Madras.
Dated 7th September 1912.

L. D. SWAMIKANNU,

Registrar.

Audit Report of the Madras City Co-operative Bank, Limited No. 900 for the year 1911-1912.

I beg to submit my audit report on the accounts of the Urban Bank styled the Madras City Co-operative Bank, (Limited) for a period of 3 months from 5th April to 30th June 1912.

2. The bank started its operations on the 5th April 1912.

3. The bank has two kinds of shares, one of the value of Rs. 100 payable in 10 equal instalments and another of the value of Rs. 10 also payable in 10 equal instalments. There were on the rolls 1034 shares under both the class of shares, 308 being of the first kind and the rest of the second kind. Two members who joined the institution carelessly had to withdraw being public servants. Of these 7 shares of the first class and 80 shares of the second class have been fully paid.

4. *Share capital.*—The Share capital realised was Rs. 10,962 deducting Rs. 20 refunded in regard to the members who had to withdraw. There were 81 cases of over-due share capital under the 10 Rupees shares and 15 cases of overdue share capital under the 100 Rupees shares. The amount involved in the first item was Rs. 87 and that under the second was Rs. 570. The directorate must take early steps to recover them. I append a list of such cases for the information of the directorate.

5. *Deposits.*—There were fixed deposits from members and non-members to an amount of Rs. 5,025 and as recurring deposit, there was a collection of Rs. 65, as current deposit Rs. 10 and as security deposit Rs. 250. The society worked only for less than three months. Hence the amount obtained under these heads is small. It is hoped that more amounts will be had during the current year. There were no other borrowings.

* * * *

7. *Loans to members.*—The directors and the appraisers have been very careful in making investigations on loan applications, but I should like to put forward the following suggestions in regard to lending.

* * * *

(3) A sum of Rs. 12,105 has been lent on the security of immoveable property while only Rs. 1,185 has been lent as surety loans. Large amounts up to Rs. 2,000 have been lent. 11 loans have swallowed up Rs. 12,105. * *
The directorate may also consider the desirability of charging 8 per cent. on all loans instead of 7½ per cent. on loans for sums above Rs. 1000.

* * *

A major portion of the loans given was for repayment of debts and the discharged bonds were obtained and filed in the Bank.

* * * * * *

9. The bank worked at a net profit of Rs. 314-7-7 a fairly good income for three months at the commencement. The accounts are fairly well maintained. I suggest the following:—

(1) Separate account should be maintained for Rs. 100 share capital and Rs. 10 share capital.

(2) When a member is newly admitted with the ostensible object of obtaining credit from the Bank in future, his property qualification should be enquired into and recorded in the books of the bank so that it may be consulted when members stand as surety or apply for a loan.

(3) A ledger should be maintained showing all the transactions of each individual either as borrower or as surety. I append the requisite forms.

MADRAS,
9th August 1912.

(Sd.) A. VEDACHALLAM,
Spl. Dy. Collector, Madras.

Audit Order by the Registrar of Co-operative Societies, Madras.

The accounts of the Madras City Co-operative Bank, Limited, No. 900 for the co-operative year ending 30th June 1912 have been audited in detail by the Special Deputy Collector, M. R. Ry. A. Vedachala Aiyar, Avargal, B.A. The usual three statements (1) Receipts and Disbursements (2) Profit and Loss and (3) the Assets and liabilities as they stood on 30th June 1912 have been furnished by him.

2. The bank was registered on the 12th March 1912 and started on its work on the 5th April 1912. The bank thus worked for a short period of three months only during the year under reivew. It earned during the period a net profit of Rs 314-7-7. Under by law 62 the net profit should be divided as follows:—

1. to the reserve fund, one-fourth or Rs. 78-9-5
2. to the Directors as honoraria, one-eighth or Rs. 39-4-11.
3. to the common good fund, one-eighth or Rs. 39-4-11.
4. to members as dividend on share capital, the remainder or Rs. 157-3-10. Any amount not spent as dividend should go to reserve fund.

Under section 34 of Act II of 1912, no amount exceeding $7\frac{1}{2}$ per cent. of the net profits shall be added to the common good fund. The bank therefore carries only Rs. 23-8-9 to the common good fund. The balance Rs. 15-12-2 will have to be spent otherwise. The Registrar suggests that it may be added to the reserve fund.

3. The bank is requested to remit Rs. 78-9-11 to the Madras Central Urban Bank, Limited, for being invested therein to the credit of the reserve fund.

4. Considering the short period for which the bank worked and also the fact that the net profit consisted mostly of entrance fees realised, the bank will be well advised if it carries forward the entire amount available for distribution as honoraria and dividend to next year.

5. The bank is advised to consider what changes either in the by-laws or in their practical mode of working are rendered necessary in view of the experience already gained. Small suretyship loans will probably be found better in the long run than large loans on the security of immoveable property or loans on the deposit of valuables. For a new venture in the Presidency Town, the Bank has done exceedingly well so far and it is to be hoped that the management consisting as it does of gentlemen who have had extensive experience of other banking institutions in the city will be able to build up a safe business on co-operative lines

Office of the Registrar of Co-operative Societies,
Chepauk, Madras,
1st September '12.

L. D. SWAMIKANNU,
Registrar.

Receipts.	Rs.	A.	P.
Share payments	10,982	0	0
Entrance fees	493	0	0
Deposits by members	1,150	0	0
Loans from non-members	4,540	0	0
Loans repaid by members	280	0	0
Interest received	48	7	4
Adjusting heads-Madras Bank	7,500	0	0
Surveyor's fees	75	3	0
Other income—Scribe fees	26	8	0
Penal interest	3	0	9
Total income	25,098	3	1

Disbursements.	Rs.	A.	P.
Share capital withdrawn	20	0	0
Deposits withdrawn	90	0	0
Loans repaid to non-members	250	0	0
Loans to members	14,590	0	0
Establishment and contingent charges ...	252	8	5
Adjusting heads.–Madras Bank ...	7,598	1	8
Surveyor's fees	51	12	0
Other items—furniture	275	3	0
House rent	9	5	4
Total expenditure	23,136	14	5
Closing balance.–In hand with the Treasurer ...	1,961	4	8
Grand total of expenditure including closing balance	25,098	3	1

Profit.	Rs.	A.	P.
Interest earned	121	15	4
Other items	522	8	9
Total	644	8	1

Loss.	Rs.	A.	P.
Interest paid and due.	28	10	9
Establishment and contingent charges paid and due	287	0	5
Other items	14	5	4
Total	330	0	6
Net profit	314	7	7

Assets.	Rs.	A.	P.
Cash on hand	1,961	4	8
Other investments (Bank of Madras) ...	98	1	8
Loans due by members	14,310	0	0
Interest due	73	8	0
Other items	275	3	0
Total assets	16,718	1	4

Liabilities.	Rs.	A.	P.
Loans from non-members	4,290	0	0
Interest due	25	5	10
Share capital	10,962	0	0
Deposits by members	1,060	0	0
Interest due on members' deposits ...	3	4	11
Establishment and contingent charges in arrear	34	8	0
Other items.—Surveyor's fees pending payment	23	7	0
House rent pending payment	5	0	0
Total liabilities	16,403	9	9
Profit	314	7	7

Audit Order of the Trichinopoly District Urban Bank, Ld.

By the Registrar of Co-operative Societies, Madras.

The accounts of the Trichinopoly District Urban Bank Limited, No. 178 for the year ending 30th June 1912 as audited by Inspector M. R. Ry. O. R. Ramachandra Aiyer are passed.

During the year under review, the Bank earned a net profit of Rs. 3,835-0-4 which should under by-law 17 be divided as follows.

	Rs.	A.	P.
1. Reserve fund	958	12	1
2. Honorarium to the Secretary	479	6	0
3. Amount available for distribution as dividend and loans	2,396	14	3

The Bank has done excellent work during the year. Much is due to the Secretary, Rao Bahadur Y. Narayana Rau Avergal, to whose untiring zeal and earnestness the bank's present position is largely due.

Prompt steps are taken for the recovery of loans. The accounts are well and neatly kept.

The Registrar is glad to note that M. R. Ry. R. K. Prasannavenkatesa Rau Avergal and Mr. W. M. Simpson continued to evince interest as President and Director respectively of the Bank. It is advisable on the other hand that certain other directors who have ceased to take any interest in the Bank's affairs and who hardly ever attend its meetings should be replaced by others who may be better able and willing to represent the shareholders.

Office of the Registrar of Co-operative Societies,
Madras, 23rd August, 1912.

L. D. SWAMIKANNU,
Registrar.

The Statement of Receipts and Disbursements for the Co-operative year Ending 1911-1912.

Receipts.

Item No.	Particulars.	Amount. Rs.	A.	P.	Amount. Rs.	A.	P.
1	Opening Balance				408	3	2
2	Share payments 2nd Call	2,400	0	0			
	3rd Call	5,000	0	0			
	4th Call	4,950	0	0			
					12,350	0	0
3	Amount of Shares subscription to be refunded on a/c of resumption of shares owing to over-due calls ...				1,400	0	0
4	Entrance or transfer fees.				130	0	0
5	Deposits of Members ...				1,25,801	0	0
6	Loans from Indian Bank:	20,000	0	0			
7	„ Non-Members.	2,23,734	13	3			
8	„ Rural Credit Societies a/c Reserve Fund Deposits ...	4,991	11	2			
9	„ a/c Current Deposits ...	44,655	14	5			
					2,93,382	6	10
10	Loans repaid by Societies.	19,452	7	7			
11	„ Salem Bank ...	30,000	0	0			
12	„ Central Bank a/c 6¼ p. c. Fixed Deposit ...	15,000	0	0			
13	„ Central Bank a/c 6 p. c. Deposit ...	5,000	0	0			
14	„ Central bank a/c current a/c withdrawal	1,47,372	3	0			
15	„ Coimbatore Bank	32,000	0	0			
					2,48,824	10	7

Item No.	Particulars.	Amount. Rs.	A.	P.	Amount. Rs.	A.	P.
16	Interests received from Societies and other Banks				17,372	4	6
17	Penal Interests levied on societies... ...				13	13	0
18	Penalty on Share Capital over-due ...				9	6	0
19	Suspense ...				0	5	6
20	Dividend Equalization Fund				532	10	3
	Total				7,00,224	11	10

Disbursements.

1	Share capital withdrawn...				750	0	0
2	Members' Deposits withdrawn ...				82,919	1	0
3	Loans returned to non-members ...	55,350	4	0			
4	Loans returned to Indian Bank ...	10,000	0	0			
5	Loans returned to Rural Credit Societies ...	3,500	0	0			
					68,850	4	0
6	Current a/c Deposit withdrawal ...				38,709	11	6
7	Loans to Rural Credit Societies at 7½ p. c. ...	2,08,700	0	0			
8	Loans to Coimbatore Bank at 7 p. c. ...	31,400	0	0			
9	Loans to Tenali Bank at 7 p. c. ...	54,000	0	0			
10	Loans to Central Bank a/c 6¼ p. c. Fixed Deposit...	40,000	0	0			
11	Loans to Central Bank a/c 6 p. c. Fixed Deposit...	5,000	0	0			
12	Loans to Central Bank a/c current, a/c Deposit ...	1,51,297	4	8			
					4,90,397	4	8

Item No.	Particulars.	Amount. Rs. A. P.	Amount. Rs. A. P.
13	Interests paid on Deposits and Loans ...		12,767 10 1
14	Dividend paid ...		487 13 4
15	Honorarium ...		204 1 6
16	Furniture ...		34 0 0
17	Cash in Madras Central Urban Bank in excess of the Bank's Reserve Fund.		12 0 0
18	Rent, Establishment, Contingencies and Miscellaneous.		
	Establishment charges..	222 8 0	
	Postal charges ...	76 7 3	
	Contingent charges ...	7 3 0	
	Rental ...	60 0 0	
	Printing charges ...	82 14 6	
	Stationery ...	16 0 6	
	Coronation Expenses ...	10 0 0	
	Subscription to Bulletin.	3 0 0	
	Incidental charges on Indian Bank's Drawing a/c for 2 Half-years ...	2 0 0	
	Cost of a Monogram Die.	15 8 0	
			495 9 3
	Suspense ...		1 3 6
	Dividend Equalization Fund ...		527 10 3
	Dividend undisbursed...		5 0 0
	Interests paid on Reserve Fund Deposits ...		220 11 0
	Carried to Reserve ...		408 3 0
	Closing Balance ...		3,434 8 9
	Total ...		7,00,224 11 10

Profit and Loss Account.

	Profit.	Rs. A. P.	Rs. A. P.
1	Interest on loans earned...	2,241 1 11	
2	Share entrance or Transfer fees ...	130 0 0	
3	Penalty on Share Capital over due ...	9 6 0	
			22,380 7 11
	Total ...		22,380 7 11

	Loss.	Rs. A. P.	Rs. A. P.
1	Interest on Deposits paid and due ...	18,040 14 4	
2	Rent Establishment Contingencies and Miscellaneous ...	495 9 3	
3	Depreciation of stock @ 20 % of the value ...	9 0 0	
4	Net profit ...	3,835 0 4	
			22,380 7 11
	Total ...		22,380 7 11

Assets & Liabilities Statement.

	Assets.	Rs. A. P.	Rs. A. P.
1	Cash hand on 30-6-1912	3,434 8 9	
2	Loans due by other Societies ...	4,41,408 15 7	
3	Reserve Fund with Central Bank ...	729 0 6	
4	Interest due on loans to Societies ...	8,043 9 2	
5	Value of Furniture less depreciation ...	25 0 0	
6	Cash in Central Bank in excess of Reserve Fund ...	12 0 0	
7	Suspense a/c ...	1 3 6	
			4,53,654 5 6
	Total ...		4,53,654 5 6

Liabilities.

		Rs.	A.	P.	Rs	A.	P.
1	Outstanding Deposits of Members ...	1,20,883	4	11			
2	do. do. Non-members ...	2,97,259	8	11			
3	Interest due on items 1 and 2 ...	10,036	7	4			
4	Share Capital ...	19,950	0	0			
5	Amount due to Shares resumed, calls being over due ...	650	0	0			
6	Dividend Equalization Fund ...	1,039	13	0			
7	Suspense a/c ...	0	3	0			
8	Net Profit ...	3,835	0	4			
					4,53,654	5	6
	Total ...				4,53,654	5	6

MODEL BY-LAWS.

By-laws of the Madras Govt. Servants' Co-operative Society, Ltd. No. 980.

(*Registered on 7th September 1912.*)

GENERAL.

1. The Madras Government Servants' Co-operative Society, Limited, No. 980, is registered as a Co-operative Society under Act II of 1912 (India). The registered office of the society is at Triplicane in the City of Madras. Its operations shall be confined to the limits of the original jurisdiction of the High Court of Judicature, Madras.

Objects, Admission of members, etc.

2. The society is established (*a*) for the purpose of creating funds to be lent to members on easy terms and at reasonable rates of interest and (*b*) for the purpose of thereby preventing the permanent indebtedness of members and encouraging thrift by affording to members facilities for investing savings from their incomes.

3. The liability of each member of the society is limited to the capital represented by the share or shares of which such member is the registered holder.

4. The capital of the society shall, for the present, be Rs. 10,000, made up of two thousand shares of Rs. 5 each. The value of each share shall be paid in five annual instalments of Re. 1 each. The first instalment shall be paid by each person who takes a share at the time when it is taken and the subsequent instalments shall be paid before the 30th June in each of the subsequent four years.

5. An entrance fee of 4 annas for every share shall also be paid at the time when the share is taken.

6. Every member must take at least one share, but no member shall be allowed to take more than one hundred shares. Subject to this limit, a member may at any time, with the consent of the managing committee, increase the number of shares held by him, but no member shall ordinarily be permitted to decrease the number of shares held by him within three years after his admission.

7. Any person over 18 years of age and of sound mind employed in any of the offices of Government in the City of Madras shall be eligible to become a member, provided that no person can claim admission as a matter of right. The qualifications for becoming a member shall be also the qualifications for continuing a member and when such qualifications cease to exist, the member shall cease to be a member.

8. Applications for admission and for allotment of shares shall be made on printed forms which can be obtained from the Secretary. The application shall be submitted with the recommendation of the head ministerial officer of the office in which the applicant is employed. The Secretary shall then place such application for disposal before the managing committee, who may either grant the application or reject it without assigning reasons. If the applicant is admitted, he will be supplied with a copy of the by-laws of the society on payment of one anna.

9. No member shall be permitted to withdraw within three years after admission, but he may withdraw after such period, provided that there are no debts due by him to the society and provided also that there are no debts due to the society in regard to which he has stood surety. A member withdrawing under this by-law shall be paid back the share capital actually paid by him to the society less any sum that may be due by him to the society at the time of such withdrawal.

10. Should a member cease to be eligible for membership at any time, the managing committee shall at once remove his name from the list of members and he shall be paid back the share

capital actually paid by him, after deducting therefrom the money if any, due by him to the society. If a member is transferred to the mufassal or retires from the service, he will *ipso facto* cease to be a member.

11. If a member dies and if his heir or successor-in-interest is eligible for admission as a member, the managing committee shall take such heir or successor-in-interest as a member in the place of the deceased if he so desires, provided he is qualified to be a member under the by-laws. In case the heir or successor-in-interest of a deceased member is either unwilling to join as a member or the managing committee consider that he is not qualified to be a member under the by-laws, the society shall pay to such heir or successor-in-interest the share capital actually paid by the deceased, after deducting therefrom the money, if any, due by the deceased to the society.

12. (*a*) The liability of a past member to the extent mentioned in by-law 3, for the common debt of the society as it stood at the date of his ceasing to be a member, shall continue for a period of two years from the date of his ceasing to be a member.

(*b*) The estate of a deceased member shall remain liable to the extent mentioned in by-law 3, for a period of one year from the date of his decease, for the common debt of the society as it stood at the time of his decease.

13. If a member deceives the society in any way or if his general conduct is such as to render his removal necessary in the interests of the society, the general assembly may expel such member. The liability of an expelled member to the extent laid down in by-law 3, for the common debt of the society as it existed at the time of his expulsion, shall continue for a period of two years after such expulsion. An expelled member shall be paid all moneys due to him from the society, after deducting therefrom the money, if any, due by him to the society.

14. If a member drives the society to Court for recovering the money due from him, he shall on that account be ordinarily considered as having become liable to be expelled from the society under by-law 13 *supra*.

Deposits.

15. The managing committee may, at their discretion, take deposits either from members or from persons other than members, but preference will be given to deposits from members. Deposits shall be of two kinds (1) Fixed deposits and (2) Savings deposits.

Fixed Deposits.

16. A fixed deposit is the deposit of a fixed sum of money for a fixed period of time. No fixed deposit shall be received for a period of less than one year or for a sum of less than Rs. 5. Every fixed deposit shall be Rs. 5 or an integral multiple thereof and shall bear interest at 6% *per annum.*

17. No interest shall be paid on a fixed deposit after the expiry of the original period unless notice in writing is given of the intention to extend the original period before its expiry.

Savings Deposits.

18. A savings deposit is a deposit made for a period of 24 or 45 months at the rate of Re. 0-8-0 *per mensem* or an integral multiple thereof.

19. A member paying Re. 0-8-0 *per mensem* for a period of 24 months shall, on the expiry of the 25th month, be paid back a sum of Rs. 12-12-0. Similarly, a member paying Re. 0-8-0 *per mensem* for a period of 45 months shall, on the expiry of the 46th month, be paid back the sum of Rs. 25. Of these amounts the sum of Re. 0-12-0 in the first case and the sum of Rs. 2-8-0 in the second case shall be debited in the accounts as interest.

20. Every savings depositor shall pay the monthly deposit amount before the end of the month to which it relates, failing which be shall be charged a fine of two pies *per mensem* on every rupee overdue.

21. Should a savings depositor however default for a continued period of four months, his deposit account shall at once be closed and he shall be paid back the principal amount actually paid by him, after deducting therefrom the moneys, if any, due by him to the society.

Chit Funds.

22. On an application in writing (in the form to be prescribed from time to time) of ten or more members, the managing committee may start and conduct chit funds to secure savings and frame rules for that purpose subject to the following conditions.

(*a*) The number of members of a single chit fund shall be not less than ten and not more than twenty.

(*b*) The total amount of any chit shall not be more than Rs. 2,000.

(*c*) The period during which the chit is to run shall be not less than ten and not more than twenty months.

(*d*) Every chit member must take at least one share but no one can take more than 3 shares.

(*e*) The method of disposal of the chit amount shall be either the discount lottery system or the auction system.

Note. *The Discount Lottery system.* In this system a number of persons agree to pay each month a fixed subscription and the subscription so collected, less a deduction for interest at a uniform rate, is lent to the different members in turn, the claimant of the loan on each occasion being selected by casting lots among all the members who have not already had loans under the system.

The Auction Chit system. In this system the pool or amount subscribed by all the members is knocked down to the member who bids the highest discount as consideration for drawing the pool.

In the first system the deduction for interest and in the second the discount are subsequently divided among the subscribers after reserving a small charge for the society's establishment.

(*f*) The members applying for the starting of the chit fund shall be jointly and severally responsible for any loss arising by any member or members of the chit failing to fulfil their engagements and the society as a whole shall not be responsible for such loss.

(*g*) The managing committee shall have full discretion in the matter of obtaining security from members to whom the chit amount is allotted.

(*h*) Out of the discount or interest collected one anna in the rupee shall be appropriated towards the cost of establishment, the remainder being distributed among the members of the chit fund in the proportion of their shares.

Other borrowings.

23. It shall be competent to the managing committee to raise funds on behalf of the society by borrowing otherwise than by way of deposits either from members or from non-members or from other Co-operative Societies or from Banks registered under the Indian Companies Act, with the previous sanction of the Registrar in the last mentioned case, and to settle the terms for such borrowings, provided however that the interest payable on borrowed capital shall not at any time exceed 7½ per cent. *per annum* and provided also that the aggregate indebtedness of the society to non-members shall not at any time exceed Rs. 4,000.

Loans.

24. Loans will be given to members alone at the discretion of the managing committee, but no member can claim a loan as a matter of right, provided however that with the general or special sanction of the Registrar loans may be granted to other registered co-operative societies.

25. Loans shall be given only for useful purposes. It shall be the duty of the managing committee to guard against reckless or extravagant borrowings. Should the managing committee come to know that a loan has been misapplied, they may at once recover such loan with the interest due thereon.

26. No member shall at any time be indebted to the society by way of principal on account of any loan or loans taken by him to the extent of more than Rs. 1,600. Subject to this limit, a member may, at the discretion of the managing committee, be given a loan (a) not exceeding Rs. 16 for every share held by him or four times his substantive pay *per mensen*, whichever is less or (b) not exceeding 80% of the amount to his credit as fixed or savings deposit.

27. Loans can be given only in the following ways:—

(1) on the security of the deposit, if any, of the borrower;

(2) on the pledge of Government Promissory notes or Government Savings Bank deposits or Postal Life Insurance policies, not exceeding 90 per cent. of the surrender value in the last mentioned case;

(3) on the joint and several responsibility of the borrower and one or two other members standing sureties for him, provided that the aggregate liability of a member both on his own account and on account of other members for whom he stands surety shall not exceed Rs. 32 per share held by him or eight times his substantive pay *per mensem*, whichever is less; or

(4) on the equitable mortgage of unencumbered immovable property wholly belonging to the borrower, not exceeding 50% of the estimated market value thereof, provided that such property is situated within the limits of the original jurisdiction of the High Court of Judicature, Madras.

28. Interest on all loans shall for the present be charged at 1½ pies per rupee *per mensem*. In calculating the interest on a loan, a fraction of a month, whether it be the month of disbursement or the month of repayment of the loan, shall be treated as a full month.

29. Interest on loans shall be paid monthly. In default an additional interest of three pies *per mensem* for every rupee of the interest overdue shall also be levied.

30. For every loan the managing committee shall fix the period of repayment when granting it. Such period shall not ordinarily exceed 16 months and the loan shall be repayable in not more than 16 equal monthly instalments, commencing from the month succeeding that in which the loan is disbursed; provided however that when a member goes on leave, the instalments falling due during such leave shall ordinarily commence from the date of expiry of the leave. When a borrower goes on leave, an extension of time for the repayment of the loan may be granted upon his applying for the same, provided that the total period of

repayment of a loan, including such extension, shall not exceed two years and provided further that in the case of suretyship loans no extension shall be granted without obtaining the written consent thereto of the sureties concerned.

31. It shall be open to the borrower to repay a loan wholly or partially before the due date according to his convenience; provided that all partial repayments shall consist of full rupees, and provided also that on any repayment made after the tenth day of a month the reduction of interest on account of such repayment shall take effect only from the first day of the next month.

32. When a loan is cancelled by the managing committee under by-law 25 or when the period of repayment of a loan expires and no extension of time is granted or when a borrower fails to pay his monthly instalment or interest with penalty for two consecutive months or when a borrower becomes ineligible for membership and his name has on that account been removed from the list of members under by-law 10 or when a borrower is expelled from the society under by-law 13, the loan account shall at once be closed and the borrower shall be informed of the same and of the amount outstanding against him including interest up to the date of closing the account. On the total amount so found due, interest shall be charged at the rate of two pies per rupee *per mensem* from the date of closing the loan account to the date of complete recovery. The managing committee shall take steps to recover the amount.

33. When a member standing surety for a loan becomes ineligible for membership and his name is on that account removed from the list of members or when he is expelled from the society or when he dies, the managing committee shall demand of the borrower to produce a fresh surety for his loan. If a fresh surety is not produced and arrangements are not made to repay the loan within a reasonable time, his loan account shall at once be closed and action taken as laid down in by-law 32.

34. A month in these by-laws means the British Calendar **month.**

Distribution of Profits.

35. The net profits of the society, as declared by the Registrar of Co-operative Societies year after year, shall be divided as follows:—

(i) one-fourth shall go to the reserve fund;

(ii) out of the remainder, a dividend not exceeding 10 per cent. shall be paid to the shareholders according to the share capital paid by them. Should there be a balance after payment of a dividend of 10 per cent. such balance may be distributed in one or more of the following ways at the discretion of the general assembly and in the order here set down, provided funds permit:–

(*a*) Payment of a bonus to such borrowers as have paid their interest punctually during the year, the amount of the bonus not to exceed $\frac{1}{4}$ of the interest paid by the borrowers;

(*b*) payment to a common good fund, not exceeding $7\frac{1}{2}$ per cent. of the net profits of the year;

(*c*) The balance shall be credited to the Reserve fund.

Reserve Fund.

36. The reserve fund shall be one and indivisible. It is the common property of all the members of the society and is intended to meet unforeseen losses. No member of the society can claim a specified share in it. It shall be invested in the Government Savings Bank or in such other manner as the Registrar may prescribe. It shall not be drawn upon except with the sanction of the Registrar.

The Managing Committee.

37. The executive management of the affairs of the society shall vest in a committee consisting of six office-bearers, *viz.*, a President, a Vice-President, a Secretary, an Assistant Secretary, a Treasurer, an Auditor and not more than ten other members. The members of the managing committee shall be elected by the general assembly for a period of two years from among the members holding not less than twenty shares each. If in the interval there

should occur a vacancy in the managing committee, that vacancy shall be filled up by the other members of the managing committee for the unexpired portion of the term of two years. A member whose term of office has expired shall be eligible for re-election and shall continue in office until he is relieved by another.

38. The managing committee shall meet as often as necessary for the conduct of business. No resolution of the managing committee shall be valid unless at least four members vote in favour of it. Subject to this provision all questions before the managing committee shall be decided by a majority of votes of the members present and voting. When votes are equal, the opinion of the President or other presiding member shall prevail. The quorum for a meeting of the managing committee shall be eight. In urgent cases the opinion of the members of the managing committee shall be obtained by circulation of the papers.

39. The managing committee shall work gratuitously, but any expenses actually incurred by them in doing the work of the society shall be debited to the society.

40. The managing committee may, from time to time, make subsidiary rules, such rules being entered in the minute book of the society. Subject to such rules, the President shall have general control over all the affairs of the society. In the absence of the President, his duties shall devolve upon the Vice-President. The Secretary shall be responsible for the executive work of the society and will be assisted in his work by the Assistant Secretary. The Treasurer shall have the custody of all the moneys, documents and other valuables of the society and shall be responsible for their safe custody. The Auditor shall audit the accounts of the society and shall see that the accounts are correctly and regularly written up. The Secretary, the Assistant Secretary, the Treasurer and the Auditor shall in their official capacity be subordinate to the President. It shall be the duty of the managing committee to maintain such accounts as are prescribed by the Registrar, to convene the general assembly whenever necessary, and generally to act in all matters on behalf of the society.

41. All documents executed in favour of the society shall be in favour of the Secretary *ex-officio*. All suits instituted by the

society shall be instituted by the Secretary *ex-officio*, after obtaining the sanction of the managing committee.

42. Receipts must be given for all payments made into the society and shall be signed by the Treasurer. For moneys borrowed from non-members or from other societies the bond shall be executed by four members of the managing committee of whom two at least shall be office-bearers.

43. Within fifteen days after the close of the Co-operative year ending 30th June, the managing committee shall prepare *(a)* a statement showing the receipts and disbursements of the society during the previous year and *(b)* a statement showing the assets and liabilities as they stood on the last day of the previous year. These two statements shall be submitted to the Registrar without delay. After the Registrar has verified these statements and granted his audit certificate, the society shall publish them in a manner approved of by the Registrar.

General Assembly.

44. A general meeting of the members may be convened, whenever necessary for the conduct of business, by the President or by the managing committee or at the request in writing of not less than twenty members. Either the President or any person nominated by him shall preside at a general meeting of the members. In the absence of either, the members present may choose a chairman from among themselves. Twenty members shall form the quorum for a general meeting. All questions before a general meeting shall be decided by a majority of votes of the members present and voting. Voting by proxy is not allowed. Every member present shall have only one vote. When votes are equal, the presiding member shall have a casting vote. The following among other matters shall be dealt with by the general assembly.

(1) Election of the managing committee;

(2) the annual report due to the Registrar;

(3) the Registrar's annual audit order;

(4) the amendment or repeal of any existing by-law or the enactment of any new by-law;

(5) the expulsion of a member; and

(6) any complaint which any individual member may prefer against the managing committee.

Amendment of By-laws.

45. No addition to, alteration in, or amendment of, the by-laws shall be made without the previous sanction of the Registrar; and when the by-law altered or amended with the sanction of the Registrar relates to the nature and extent of the liability of the members for debts contracted by the society, the alteration or amendment shall not be valid until it is also approved of by Government.

The Madras Bulletin of Co-operation.

The Triplicane Urban Co-operative Society Ltd., has in pursuance of resolution No. 14 passed at a meeting of the General Body held on the 6th October 1912 taken up the management of the "Madras Bulletin of Co-operation", the Government of Madras, having, in their Order No. $\frac{2402}{\text{Mis}}$ dated 9th August 1912 Revenue, directed its transfer if the Triplicane Urban Co-operative Society Ltd., were willing to take it up. The transfer has been effected, and this number has been issued by the Education Committee of the Society to whom the conduct of the *Bulletin* has been entrusted. It is the desire of the Education Committee to make the *Bulletin* the medium of communication, so far as co-operative knowledge and results of the movement are concerned, between co-operators in India in general and in this Presidency in particular. The Committee will be glad to receive contributions on subjects relative to all aspects of the movement and publish such of them as seem to them to be useful and instructive. If the *Bulletin* has to fulfil its objects in any considerable measure, it is necessary that Government, co-operative societies and the general public should continue to subscribe liberally to copies of the journal.

MADRAS.

The Madras Bulletin of Co-operation.

Vol. IV. 10th DECEMBER 1912. No. 2.

History of the Co-operative Movement in the Madras Presidency—(*Continued*).

By M.R.Ry, Rao Sahib K. Vijayaraghavachariar Avl., M.A.

IV

Before the end of the third co-operative year one important question relating to Co-operative Credit Societies was finally settled *viz.* what type of societies would be best suited to, and find acceptance with, the people of this Presidency. The Raiffeisen model societies came to be recognised as the proper institutions for rural parts while societies on the Luzzatti model found favour in towns. The former are based on unlimited liability and in the country of their origin had at first no share capital though subsequently, under legislative pressure, they introduced a nominal share capital, which is sometimes as low as a half penny per share. This modified type is the one now universally adopted in all rural areas of this Presidency. All rural credit societies formed since our second year have been societies with unlimited liability and a nominal share capital of Rupee 1 per share. There are at present 910 institutions of this kind in the Presidency, out of a total of 916 rural societies, 6 being limited liability societies. The Luzzatti model societies are based on limited liability and generally have a small share capital built up by instalments. Some of these, however, require the share capital to be paid up at once. There are at present 34 such societies in the presidency out of a total of 47 urban societies, the remaining 13 having accepted unlimited liability. The Registrar, in his second year's report, after describing the various types of societies that had been organised up to that time, remarked: "It is premature to say

which of the above types will survive in the long run." In his third year's report, however, he was in a position to affirm that "the apprehension at one time entertained that people would be generally very unwilling to accept unlimited liability has proved groundless." There yet remained two other problems to be solved, equally important if not more so. These related to the financing and the supervision of societies respectively. How one of these *viz.* that of finance has been solved in this province and what attempts have been so far made to grapple with the other will now be dealt with.

2. A Co-operative Credit Society has been defined as an association of borrowers. Members join it mostly if not solely for the the purpose of borrowing to meet their wants. The very first thing, therefore, that a credit society requires, after its registration, is a fund to be lent to its members. The small share subscriptions and entrance fees contributed by its constituents will not generally be enough even to meet the requirements of a single member. Other sources, therefore, must be found. Various plans have been tried in different countries. In the first German Co-operative Credit societies—the Schulze-Delitzsch associations—, the required fund was raised by heavy share subscriptions. In the Raiffeisen societies the working capital was borrowed originally from sympathisers and friends, Raiffeisen himself contributing a moderate sum towards the working capital of his first society, though at present these societies work with the deposits of their members and probably also utilise their large accumulated reserve funds. In Italy the Wollemborg rural societies obtained their funds from the town Savings Banks. In Switzerland the public banks founded branches in the villages. In other countries such as Prussia, Austria-Hungary and France, the Government helped largely. In this presidency also, at the initial stage of the movement, Government granted subventions to rural societies, equal in amount to what the societies themselves should succeed in raising from among their members either by way of share subscriptions or by way of deposits up to a maximum of Rs. 2000 for any single society, and further agreed to charge no interest for the first two years from the date of registration and only 4% afterwards, the whole amount being repayable in 10 equal instalments from the 3rd year. For this purpose Government set apart Rs. 50,000. A private gentleman, a

sympathiser and friend of the movement, and who believed in it, Sir D. M. Hamilton of Calcutta placed Rs. 5000 at the disposal of the Registrar for disbursement as loans among rural societies. These loans also were to bear no interest during the first two years and were repayable in 10 equal instalments afterwards with interest at 2%. But these promises of relief did not carry the movement very far. But few societies could be helped with funds thus provided and those not to any very large extent. Besides, such charitable support was not desirable either in the interest of the movement or in that of the people who were to be benefited by it. In India people have, from time immemorial, been in the habit of looking up to Government for everything. While in European countries people wish to be left to themselves, here in India they want Government's guidance in all matters, whether social, religious or economic. Even at the present day, when the educated classes clamour for more and more freedom in the management of local affairs, the masses do not join in this clamour, but would prefer to rely on Government. If the masses are to be educated out of this complete dependence, it can be done only by practically training them in the management of their village institutions and what better institution can there be for this purpose than rural Co-operative Credit societies, which have to be managed by elected committees and in which the funds required have to be raised and disposed of by responsible representatives of the villagers. It was therefore thought necessary even at the very beginning that some other means should be devised for financing co-operative credit societies. The then Registrar Mr. Rajagopalachariar hit upon the happy idea of organising an institution for collecting surplus money from well-to-do people in the presidency and distributing it among the societies on strict business lines. It was no easy task to work out the idea. To give the idea a practical shape it was necessary to convince at least a single gentleman of sufficient status and enthusiasm, of the feasibility and profitableness of the institution and in the state of the then knowledge regarding co-operative credit societies, their nature and possibilities—very few gentlemen would or could be so convinced. Such a gentleman was however eventually found in Sir V.C. Desikachariar *Kt.* and with his active help and co-operation 'The Madras Central Urban Bank Ltd.' was organised in 1905 and

registered under the Act on 19th October of that year. From that time forward up to 1908 the Madras Central Urban Bank (Limited) was the only institution of its kind and its history during that period may be regarded as the history of the Co-operative movement in the presidency. The simple fact that the institution was registered could not attract money. The struggles it had to pass through in its initial stages are known only to its first Secretary, and perhaps to some extent, to the Registrar. During the first two years its success was but small. In the course of 6 months after starting, it could only attract Rs. 500 as deposit besides its share capital of Rs. 4200 and entrance fee of Rs. 135 and it disbursed as loans only Rs. 1975. Its net profit for the first year was only Rs. 20–9–0, so that the bank could not declare any dividend on its share capital. From this small beginning the bank developed into a colossal institution through the untiring zeal and exertions of Sir V.C. Desikachariar who more often than not had to use his personal influence with his friends to secure funds to meet the growing demands of rural societies. At present money flows freely into the bank and it is now able to deal and think in lacs while in the first years of its existance it had, that is, its Secretary had, to strain every nerve to obtain a few thousands. The bank has of late been the target of adverse criticism as not being co-operative but only a dividend-seeking concern. It was never intended to be a charitable institution for the disbursement of doles to dependent societies. In the opinion of the best authorities on Co-operative Credit, a Central Bank should be a strictly business institution dealing with the dependent societies on strictly business lines like a Joint Stock concern and the Madras Central Urban Bank is an institution of this kind and it has never aimed at being anything else. And what it was intended to do it has done most satisfactorily. It has been collecting funds from the public market and has been loaning out the funds thus collected to rural co-operative societies at a uniform and moderate rate of interest *viz.* 7½%. If by these transactions its members get a good dividend, no blame to them. The following figures show how rapidly the Madras Central Bank has developed, taking only share capital and deposits:–

Year.	Share Capital.	Deposits.
1905–'06	Rs. 4200	Rs. 500
1906–'07	,, 2700	,, 80000
1907–'08	,, 1485	,, 24096
1908–'09	,, 7500	,, 432664
1909–'10	,, 67000	,, 618830
1910–'11	,, 18000	,, 921388
1911–'12	,, 100350	,, 2443370

At the same time co-operative credit societies, both urban and rural, especially the latter have developed even with greater rapidity. When the third year's report, the last by the first Registrar Diwan Bahadur Rajagopalachariar C. I. E., was written, there were only 63 societies and the Madras Central Urban Bank's working capital consisted of share capital and deposits amounting to only about Rs. 81,000. But the Registrar, foreseeing what potentialities there were in the institution, had recommended already that further Government sub ventions should be stopped. At this stage Diwan Bahadur Rajagopalachariar C.I.E., was promoted to be Diwan of Travancore and his place as Registrar of Co-operative Credit Societies was taken by Mr. R. Ramachandra Rao.

Co-operative Agricultural Association.

(*By M. R. Ry., K. Ramaswamy Aiyar Avl., B.A. B.L.*)

If the co-operative movement is to take deep root in this country, existing societies should do something more than confine their work to credit banking. Unless agricultural co-operation is developed side by side with banking, the movement will not become a popular one. It is no doubt true that credit societies have been found to work well and have become exceedingly popular wherever established. Their chief attractions are that money is obtained by them at a cheaper rate of interest than is available in the market, and that the terms of re-payment are easier and more advantageous to the ryots. The masses have very largely availed themselves of

the cheap credit secured to them by becoming members of these institutions and many indebted ryots have escaped for good the clutches of the village sowkars and have also realised that money is more readily available to them than before for all useful purposes. To this extent the movement may be pronounced to be a success. How far it has helped the people to educate themselves educationally, materially, morally and socially is a thing well worth our consideration. In testing the progress of the movement we should not be guided merely by figures. The number of societies is undoubtedly very large, considering the short time during which they have sprung up. Their working capital and the profit earned by them are matters which should afford us the higher encouragement. But in the formation of character and cultivation of business habits among the members and in the formation of habits of self-help, thrift and a spirit co-operation among the people generally our achievements are exceedingly insignificant. I attribute this to the present policy in the working of the movement. In the eyes of the people every credit society is started by the sirkar for the purpose of carrying on operations similar to those under the agriculturists and Land Improvement Loans Act. They call the money sirkar money. I have repeatedly heard them say that they must repay it promptly because it is sirkar money. In most of the villages either the Karnam or the Village Munsif is the secretary or president. Village officers have habitually the disposal of applications for loans. Loans to societies are sanctioned by a Special Deputy Collector or the Registrar in the same way as Government loans are sanctioned by Government officers. The place of the Revenue Inspector is taken by the Co-operative Inspector. In the face of these circumstances, no amount of persuasion is of avail in order to remove the impression that it is a sirkar business or to convince them that the society is their own and that the credit they enjoy is due to their own combined efforts. I have even heard it said that money has become cheap now a days and that the sirkar are employing these methods in order to find suitable investment for their ever-increasing surplus funds. Such impressions have to be removed and our people have to be trained to habits of thrift and united action. This will be possible only if we can train them to co-operate for the purpose of securing not only the money which is no doubt their first and most essential need, but other agricultural needs such as purchase of seed,

manure, cattle food &c. They have to be taught that if they can sell their produce collectively, holding it over till the proper season they can have a much larger income than they now get. They must be made to meet and discuss the latest improvements recommended in the leaflets of the Agricultural Department in regard to methods of cultivation. The present credit institutions of our country are really so many agricultural associations. They have been formed mostly after the model of Raiffeisen banks of Germany. Mr. Wolff in his People's Banks has described "Raiffeisen" co-operation, as the first form of co-operation to reveal to the world the unlimited possibility contained in co-operative credit for promoting other forms of co-operation. "In the matter of co-operation whether for supply, distribution, production or common work, or whatever the object may be, before Raiffeisen credit developed, rural Germany was a barren waste. Credit came upon the scene and forthwith the soil brought forth flowers and fruits in abundance, showing the numbers and remarkable success of its agricultural co-operative organisations." "The moral results" have been described "to be even superior to the material. The banks trained their members to thrift and business habits." "Where formerly there used to be rivalry and jealousy, there is now fellow-feeling and cordial sympathy. Everybody has come to know by the liability resting on them that his neighbour's good coincides with his own, that his neighbour's hurt is also his own." These words are highly encouraging to us; the future of our agriculture depends upon the successful working of our credit institutions. As in the case of the German Raiffeisen banks, our credit societies contain the germ for the development of other forms of co-operation. It is therefore, not only needless, but a waste of energy and trouble, to have two separate institutions in the same locality, one for development of agriculture and the other for credit. The people who join a credit society for obtaining loans are also in need of the help and advice which an agricultural association can render. Our aim must therefore be to train the members of the credit societies gradually to develop agricultural co-operation also, but not to trouble ourselves for a long time to come about forming independent agricultural associations.

MADURA,
19th November, 1912.

K. RAMASWAMI AIYER.

A NOTE

ON

Supervising Agencies or Unions.

(By Mr. G. K. Deodhar.)

Last year when I read a note before the Conference on the subject of "Boards of Supervisors" it was resolved that I should bring the same subject before this year's Conference making definite proposals. In pursuance of this resolution I have selected this subject and beg to suggest to the Conference the formation of Unions in suitable areas mainly for the purpose of supervising the working of the existing Co-operative Credit Societies :—

2. In Co-operative circles, the subject of Unions, along with the question of finance, is assuming a position of extreme importance. The Registrars' Conference has discussed their bearings upon the successful growth of the Co-operative movement. Their need is being felt every day owing to various causes, the principal among which, are the following:— (1) The steadily rising number of societies is increasing the difficulties of the Registrars and their staff who have to inspect and supervise their working and audit their accounts and who thus are unable to cope with the work ; (2) They can hardly spare any time, even when they so desire, to do any propagandist work and rouse popular enthusiasm in favour of Co-operation ; (3) There is a growing need felt for an effective control over such societies as are being daily launched into existence without thwarting their independence and sense of responsibility ; (4) The necessity of a medium or a link between the financing agencies and the distributing societies is being increasingly recognised ; (5) There is a demand for a central institution which, while consolidating the credit of these small societies that lie scattered, will, by winning local confidence, command local capital for their use. If the co-operative movement is to avoid pitfalls and run a smooth race, this

deficiency is required to be supplied and even we in Bombay have come to a stage in its growth when the consideration of this important problem can no longer be put off.

3. In other provinces its solution is being attempted and a great measure of success has been achieved in the formation of Unions mostly as supervising agencies, and in some places as financing agencies also. In Burma, there are about 24 Unions comprising over 280 societies and working as propagandist, supervising, and mutual guarantee associations. They charge $\frac{1}{4}$ per cent. cess on the transactions of loans effected. In Bengal nearly 240 societies have been grouped into 8 Unions, 6 of which are made up of societies only, all discharging also the function of financing the affiliated societies. There are also District Co-operative Committees mainly intended to spread the knowledge of co-operative principles. In Central Provinces, in the District of Balaghat there are 4 Unions which finance the affiliated societies. In Madras, there are 2 Unions in one District which work as a connecting link between the societies and the Central Banks or the Registrar ; the former grant them a commission of 1/30 of the interest paid every year to Banks by the affiliated societies, while the latter gives them a special contribution from the funds of the affiliated societies served by the Unions. In the Punjab, there is only 1 Union financing the societies. In Bombay, one is recently formed at Satara. In the U. P., the District Banks serve, in an indifferent manner, the purpose of a Union and some work in the direction of propagandism is done by Co-operative Organization Funds, started in a few districts, that employ a paid supervisor to organize societies and supervise their working. Now that the difficulties in the path of the registration of these Unions under the old Act are removed by the present Act, their number, which is slightly above 40 to-day, is sure to grow very soon.

4. There is no clear definition of the functions of a Union. But its chief object is to unite the societies into a group or central association just in the same way in which a single society brings the individual members together to form a corporate body for mutual benefit. Its functions are three-fold. It works as a missionary agency ; it acts as a controlling and supervising authority and it tries to balance the excess and deficiency of funds of affiliated societies and in short, becomes a "common cash box equalising excess

and want". Its uses are manifold. By its constitution it clothes the societies, under its protection, with a recognized status and stability ; it provides the Registrar with the necessary and responsible agency for gauging the assets of the societies and examining their financial solvency ; to the small capitalists it secures a field for safe investment and thus finds an outlet for a pent up treasure ; it brings a needful relief to the Central Banks either as a "Central Banking Union" or as an inspecting machinery, by scrutinizing demands for loans made by societies under its care; it gives an impetus to agricultural advancement by enabling Co-operative Credit Societies to secure more funds for improvement ; it rouses public confidence in Co-operative Credit by its careful selection ; and lastly, it conducts not merely the arithmetical audit of books and balance sheets of societies but trains them into the working of co-operative principles and enforces their strict adherence to these. Thus in the process of centralization the Union supplies a great want. The Provincial Central Bank at the top, and the small co-operative societies at the base, need these Unions to stand at the centre as an integral part of the co-operative structure.

5. The foregoing sketch will make it clear how necessary and useful is the institution of a Union of co-operative credit societies. By its constitution it can affiliate as many societies as lie within a convenient area. It is registered under the Act as a Co-operative Society with limited and unlimited liability. The Union should be managed by a general body of representatives appointed by societies and should have an executive committee consisting of a few members elected by the delegates. It should employ a trained staff of inspectors to inspect the work of societies and to preach co-operative truths ; and the expenses are to be paid by the societies forming the membership of a Union by the levy of a small commission. The Union, by means of a close and searching examination of the assets and liabilities of the various societies and by the inspection of its dealings is better able to negotiate for loans to the societies within certain limits and stand guarantee for the security of their transactions.

6. Even if the Union be not required to serve the purposes of a Bank, there being other financing agencies readily available for

immediate use, its need as a means of effective preaching, efficient control, and strict supervision is very great in our midst. In our presidency, there are 8 or 9 Central Banks which are ready to give financial accommodation to rural societies but they have neither the means nor the facilities to appoint a paid staff of supervisors to make sure that their transactions with such societies situated at considerable distances are secure, except the insufficient agency of the Registrar on whose inspection reports they have to depend for their action. The Registrar complains that he can hardly be expected to visit all the societies much less to keep in close touch with them. If, therefore, Unions or supervising agencies are created the Central Banks with their guidance can easily supply a portion of the capital which the societies need and the Registrar and his staff may devote a part of their time to the expansion of this movement. If the Registrar forms half a dozen Unions in selected areas, by holding conferences of the representatives of societies in some districts, an impetus will be given to the formation of such Unions. In this, he will of course be cordially helped by people of local influence interested in co-operation and such a beginning could be made in the districts of Ahmedabad, Surat, Broach, Poona, Ahmednagar, Dharwar and Bijapur ; on the Madras system, if Taluka Unions could be formed, they would be more workable to-day and more useful in the future for further organization. Such a Union will facilitate "the taking of common counsel", the discussion of questions affecting common interest, the quicker spread of co-operative knowledge and will keep the societies free from the contamination of base motives. Such a Union, in the opinion of the Registrars of Burma and Central Provinces, will be a great economic factor of our social life. In conclusion, these supervising agencies will prove that a *Union* of Co-operative Credit Societies *is* a source of great *strength* particularly to them and generally to the movement.

G. K. DEODHAR,

Member, Servants of India Society.

PROGRESS OF CO-OPERATION.

———:(o):———

IN OTHER COUNTRIES.

LAND BANKS.

[*Extract from the Bulletin of the Bureau of Economic and Social Intelligence.*]

The contrast between large and small property would not necessarily have given rise to all those economic and social evils, complained of in Roumania, if there had not arisen a class of speculators, who, profiting by the absenteeism of the large landholders, rented their estates, subletting them again to small farmers at a considerable profit.

The official publications now collected have sufficient material to show the harm of such speculations, not only for the peasants, but for the whole national economy.

In the Statistical Year—book (1909) a case is mentioned of a family who hired an area of 159,000 hectares in 1905, subletting a large part of it to peasants.

In view of this deplorable state of things, the Government was induced to present two bills in 1907-08 the object of one of which was to prevent a single person from taking on lease more than 4,000 cultivable hectares, while that of the other was the creation of a Rural Bank, with capital partly supplied by the State, and partly by private persons, to facilitate the acquisition of land by the peasants. Their object was to change a state of things that was an impediment to agricultural progress.

In order to improve the quality of agricultural produce, to increase the yield of the farms, profiting by the teachings of modern science, discoveries in chemistry and mechanical inventions, capital must be invested. Now it may be said generally that in Roumania neither the large class of landowners for the most part altogether

inexperienced in farm business, nor the class of the large tenants, limiting themselves to speculation, nor that of the farmers, to whom portions of the large estates were sublet, was disposed to such investment. The first class, that of the rich landowners, decendants for the most part of the ancient Roumanian feudal lords, is not fitted to promote the development of the estates. Composed mostly of persons occupied in any other business than that of agriculture–deputies, senators, officers, high officials, doctors, barristers, etc.–this class is only anxious to have a settled income ; the risks and the anxieties attending new investments of capital for the increase of its members' incomes, are unsuited to the circumstances of the lives they lead at a distance from their estates, which sometimes they do not even know.

Nor can greater interest be taken in these improvements by the speculators, the large tenants, specially intent on obtaining large profits by subletting estates to the small farmers; nor finally by this last class of small farmers, who have neither means nor interest to enable them to acquire costly machinery, to improve estates which are not theirs.

The Organisation of the "Roumanian Land Credit Institute"

The law of 5th/18th, April, 1873, amended in 1882, 1903 and 1908 authorises the institution of land credit societies, based on the direct association and mutual guarantee of the landowners themselves in need of capital. These societies, the period of duration of which is not limited, are intended to obtain for landowners, desirous of contracting loans, the means for doing so and extinguishing their debt in annual instalments. With this object, they have been authorised to issue "*lettres de gage*" for an amount not exceeding that due by the borrowers.

The law has granted the societies composed of these proprietors the monopoly of conducting land credit operations, up to the date 1st/14th June, 1933. It is thus impossible for competitive capitalistic societies to be fomed (art. I). The law only permits societies composed of landholders to issue "lettres de gage" (art 2.)

For the formation on of the first land credit society, the law (art. 3) provided the formation of a committee, composed of the

Minister of Finance, the President of the Chamber of Deputies, and the Dean of the Vice-presidents of the Senate. By an advertisement in the *Moniteur Officiel*, this committee appealed to all landowners of Roumania, inviting them to take part in the first land credit society ta be constituted as soon as 60 proprietors representing altogether landed property of a value of at least 3 million francs had adhered.

The "First Roumanion Land Credit Society of Bucharest" (Prima Societate de credit Funciar Roman din Bucaresti) was founded thus on the 1st/14th June, 1873, and in December of the same year, it issued its first "lettres de gage".

Conformably with its rules, this society proposes as its aim :

(1) To lend to landed proprietors on mortgage for periods of at least 10 years and at most 60 years, the loans to be extinguished in instalments ; and for short terms, extinguishable or not in instalments, also guarantee on mortgage.

(2) for these loan operations, to issue and negotiate "lettres de gage" of a value not exceeding that of the loans.

The amounts granted by the society may not exceed 50 % of the value of the estate on mortgage of which they are secured, taking into consideration previously registered mortgages. These loans must be limited to a third of the value of the estate, when this depends on vineyards, forests and other plantations.

According to the Rule (Art 72) the following cannot be mortgaged: (1) quarries and mines ; (2) property held in common, if the mortgage does not burden the whole property and is not agreed to by all the landholders ; (3) estates of which the usufruct and the property belong to different persons, unless the parties concerned agree to the mortgage ; (4) buildings not insured with an insurance company conducting business in Roumania.

To obtain a loan the landholder must present a certificate signed by three landowners of the district in which the estate is situated, attesting his ownership and stating the debts and obligations by which it is burdened.

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The rules authorise the members to anticipate repayment of the capital, either in money or "*lettres de gage*" at their nominal value.

The annuities fixed by the Board of Management;

1. the interest fixed by the Board of Management;

2. sinking fund, calculated according to the rate of interest and the length of the loan;

3. a charge of not more than 0·50 % for commission and working expenses. In the case of six months elapsing without payments being made, the whole debt may be called up.

The rules lay down that the "*lettres de gage*" shall be to bearer and of a nominal value of not less than 100 *leis*. They are repaid being drawn for by lot, in proportion as the capital is repaid by the society's debtors.

The paymant of interest and capital corresponding to land securities is guaranteed: (1) by the moneys figuring in the profit and loss accounts; (2) by the reserve fuud; (3) by the share capital ; (4) by the joint and several liability of all the proprietors, members of this society ; (5) by the subvention of which we shall speak hereafter.

The "*lettres de gage*" are accepted as public securities by all the State banks. The capital of minors of communes and public institutions or institutions of public utility may be invested in purchase of land securities.

The operations of this society may be conducted throughout the whole territory of Roumania.

The constitution of this bank is based on the principles of co-operation. Membership is open to any landholder who has contracted a loan : he acquires a share in the profits in proportion to the instalments he has paid. At the same time he is bound to share in the losses the society may suffer. The position and the rights of members are transferred to persons purchasing the property mortgaged as security for loans granted by the society.

Let us now briefly examine the financial organisation of this society.

It opens a special account, in the credits of which it shows all payments made by any one who has contracted long term loans (instalments, interest and sinking fund) interest on the share capital, payments made by the debtors for short term loans, income from the estates of the society, all amounts derived from sale of such estates, a maximum annual contribution of 0·50 % on amounts borrowed and, finally, all other revenues of the society not destined for the formation of the reserve fund.

Deducting from this account the interest due on *lettres de gage* the funds for repayment of securities drawn for by lot each year and the working expenses, amounts still remaining will be used for repayment of loans contracted with the Deposit and Loan Bank.

The share capital is formed by the payment each borrower is bound to make, to the extent of 2 % of the loan made to him. On the extinction of the debt, this contribution of 2 % is repaid to the member without interest.

The reserve fund is formed by the payment of 0·25% deducted from the amounts lent, by 90 % of the net profits and by interest.

The amount of 90 % of the profits will cease to be paid into the reserve fund, when the latter reaches the amount of 5 % of the current loans. In this case, the net profits less the part belonging to the administrators and director will form the dividend to be divided among the debtors in proportion to the debt of each towards the society.

The subvention fund is formed with the assistance of Government, which, until the reserve fund has been formed on its own account, will open a credit at the Deposit and Loan Bank, for each of the three societies founded at Jassy, Bucharest and Craivoa, to the amount of 1,500,000 *leis*, at an annual interest not exceeding 3 per cent.

The Work of the Roumanian Land Credit Institute.

To-day the Agricultural Land Credit Institute has become a national institute of the first order and has improved and reinforced the credit of the large landholders. From its start it has rendered many services to Roumania, which may be summed up as follows:—

1. It was the first economic institute, founded, constituted and managed by Roumanians and has consequently exerted a notable economic and social action in the whole country.

2. It has largely contributed to regulate the legal constitution of land property.

3. It instituted the forms of mortgage registration now adopted in all Roumania.

4. It has normally developed agricultural land credit.

The Irish Agricultural Wholesale Society.—The total sales of the Irish Agricultural Wholesale Society amounted in 1911 to £ 132,929, as against £ 132,508 in the preceding year. There was a net surplus on the year's trading of £ 1,620. Adding to this a balance brought forward from 1910, there was £ 1,746 to dispose of, which was allocated as follows: five per cent interest on ordinary and preference shares, £ 387; dividend of one per cent on the member's trade, £ 600; Reserve Fund 500; writing down investment accounts £ 125; carried forward to next year's accounts, £ 134.

Agricultural Association among the Mahomedans of the Meghreb (Morocco, Algeria, and Tunis.)

[*Extract from the Bulletin of the Bureau of Economic and Social Intelligence.*]

(*a*) *Native Societies for Thrift, Mutual Aid and Loans.*

The origin of these institutions is found in the reserve *silos*, that may be compared with the Italian *monti frumentarri* and the

Spanish *positos*. The richest *fellaheen* willingly ceded a portion of their crops to be preserved in *silos* for distribution among the neediest labourers in times of dearth and calamity.

In Algeria, after the conquest, the Government exerted itself to reinforce this usage and in 1884 it ordered the institution of Thrift societies in all the communes. The law of April 14th, 1893, gave them civil personality and a decree of the Governor General, dated December 7th, 1894, gave them their final organisation. Since that date, the societies have progressively extended themselves: in 1908 there were 190 with 515,252 members and 18,269,846 francs capital. In 1910 the members were 540,850 with a capital of 21 million francs. If however, we consider that, in the 371 Algerian communes there were only 190 societies and that the shares the members may receive are generally from 20 to 50 francs per individual, we may conclude that these institutions have not as yet had the required development.

The work done by these institutions is considerable: in the year 1907-08, 8,903,553 francs, that is to say, almost half the capitals of the societies were distributed as loans. The loans are intended for the purchase of seeds, plough cattle, French plough, *etc.* In bad seasons the date of repayment may be deferred for a certain number of loans. In the above mentioned year, these societies granted the poorest farmers 40,664 francs as assistance. Repayments are generally made with ease.

In Tunis, the native Thrift Societies date from 1894: they existed in each *cai dat* and devoted themselves especially to the loan of seeds. But as, here also, the results were mediocre, on account of bad management, the decree of May 20th 1907, reorganised them: in 1909 their assets amounted to 1,637,578 francs. Another decree of December 31st 1909 obliged each native to become a member of these societies. Voluntary contributions were substituted by the additional centimes (o frs. 8 c) for the land tax and a fixed amount of 50 c for the *medjba* (head tax). The income of the societies is estimated at 498,000 francs in the accounts for 1910. It is however thought that in 4 years, it will be 4 millions, a figure large enough to enable the Thrift Societies to dispense with Government aid.

(*b*) *Mutual Agricultural Credit Banks.*

In view of the insufficient number of native Thrift Societies, the Algerian Government has decided to complete them by organising agricultural credit. For five years it has been encouraging the foundation of local native banks in connection with the regional banks. These local banks are a sort of complement to the Thrift Societies and are intended to obtain for the *fellah* credits varying from 1,500 to 3,000 francs. They derive their means from their share in advances granted without interest by the Bank of Algeria on the security of dowries.

(*c*) *Labour Mutual Societies.*

To accustom the native intellect to the idea of insurance the Government has founded local insurance societies in the Department of Constantine, which, in return for a contribution in kind, insure members' cattle and also their crops against hail. This simple form, resembling the ancient local forms (twiza) seems well adapted to the conditions. In 1907, there appeared in Algiers, under the name of Central Algerian and Tunisian Society, an insurance and reinsurance society, a federation of syndical form, with fixed premiums, proposing to itself the foundation of local insurance societies as its branches, in every part of the Algerian and Tunisian territory.

(*d*) *Irrigation Societies.*

It is well known that the Government of the Regency has undertaken large irrigation works in the South of Tunis for the purpose of restoring that land to its ancient prosperity. These works are carried out by native syndicates and the State contributes by means of loans repayable in annual instalments.

The results these associations have obtained have been excellent, both from the moral and material point of view. The Sidi-el-Bey barrage, first made by the natives, of earth and fascine, has been rebuilt in masonry by the State; the natives contributed 12,000 frs. that is 40 per cent. In the plain of Kairouan the Syndicates of Oued Zeroud and Oued Marguellil respectively irrigate 2,092 and 4,600 hectares.

An agricultural syndicate was founded at Ammi Moussa (Department of Oran) in 1909 : it has 778 members and its object is mule-inprovement (by means of the purchase of jacks) and the selection of seeds.

(*Extracts from the Annual Report on the working of Co-operative Societies in Bengal.*)

The total number of societies has increased from 718 to 943. Two new Central Banking Unions were started during the year in Taki and Belebera, in the districts of 24 Parganas and Midnapore, respectively. The number of Central Banks is now 7. There has been an increase of 14 Urban Societies and a net increase of 209 in Rural Societies.

The total membership has risen from 29,506 to 38,569. The increase of working capital from Rs. 14,96,833 to Rs. 26,07,573 is very satisfactory. Of the total working capital Rs. 6,01,550 represents loans from Central and other societies.

The progress has been satisfactory. Apart from the visible results expressed in figures and numbers, there has been some intensive development. The working and administration of societies have improved. It is, however, necessary to point out that during previous years the extension of the movement has been perhaps too rapid to be altogether healthy. In many parts of the province the progress has given rise to new problems which await solution. It is time that we should call a halt, overhaul our machinery and readjust it to new conditions. I would, therefore emphasise the necessity of pursuing a policy of caution till the existing work has been consolidated. It is very easy to multiply figures and numbers. And the temptation of forming societies by departmental and official agencies is very strong, especially when there is an apparent demand for such societies; but it has to be resisted. The comparatively dull and difficult spade work of consolidation must be taken in hand with energy; otherwise the movement is bound to suffer.

Summary.—The year's working of the Central Banks is full of hope and encourages one to think that the formation of Central

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Banking Unions will lead to an extension of the movement and that these Banks will be able to provide for the financial and supervisional requirements of their constituent societies. The great merit of the scheme is that it provides for an automatic expansion of the movement without making it dependent upon an outside agency. Within two or three years it is hoped that every subdivision or local centre will have a Central Bank of its own. In previous reports it has been pointed out that a time will very soon come when further centralisation will be necessary. Central Banking Unions of the types described above will work within a limited area, and it may not be possible to raise all their requirements within the sphere of their activities. It will therefore be found necessary to link all these Central Banks into a Provincial Bank to be located in Calcutta. Such a Bank will not only balance excess and deficiencies in Local Central Banks, but will also bring the movement into direct touch with the Calcutta money market, and will act as an organised agency for the promotion and development of all forms of co-operation. Incidentally, it may be pointed out that the agricultural conditions of the province will facilitate its transaction. The rice-growing districts will repay their loans in February or March, which is just the season when the jute districts want money, and the latter would repay about September, when there is again a demand from the rice districts. When this Central Bank has been established the movement will probably be self-supporting, and it would be possible for it to stand alone without the direct assistance of Government. In some quarters it has been suggested that a State-guaranteed Central Bank should be started without delay. It is now too late in the day to speak of a State guarantee. The progress already achieved is considerable enough to enable us to hope with confidence that we shall be able to do without such artificial stimuli if we only are patient. Our aim ought to be not to force the pace but to let the movement spread gradually and slowly. Each stage of progress will bring its own problem. The first stage has given us the problem, which we are solving by an extension of the Central Bank system. Let these Central Banks be perfected before a wider combination is attempted.

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The Young Men's Zamindary Society is an attempt to introduce co-operative methods in the cultivation of large areas and in

the acquisition of Zamindaries. The lease obtained by the society of plot No. 164 in Sunderbans has given the society a fresh start and has enabled it to recover from the sense of failure induced by their first endeavour in joint cultivation. The society leased out a portion of the lot and obtained a salami of Rs. 23,950. And including this amount it made a profit of Rs. 25,324.

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There are two 'productive societies–the Bharenga Weavers' Stores and the Dacca Co-operative Dairy Society. The Weavers' Stores have continued to make progress and the weaving lessons given by Mr. N. Pillay, the Government Weaving expert, have borne good fruit. The society purchases yarn at wholesale rates from Calcutta and also undertakes the sale of the cloth manufactured by members. The society has got a capital of Rs. 1,578. Its turnover was Rs. 3,669 on account of sales. At present the bank is entirely dependent on Rai Saheb Pramatha Narain Chowdhury for success. He is, however, trying his best to make the bank more independent.

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The Dairy Society at Dacca, which was started last year by a few merchants and professional men to provide a supply of good milk, is a new venture. Its capital has been raised in shares and deposits and it does a little lending business amongst members, which I am not sure is altogether sound. For its farm it has taken a lease of a plot of land about six miles from Dacca. It has sunk Rs. 7,201 of its capital in machinery and in the purchase of cows. During the year it sold Rs. 671 worth of milk. The milk supplied by the society is in great demand and within a short time the society has become popular. There is a tendency to deal with non-members which ought to be checked. The transactions last year ended in a loss due to heavy contingent expenses. The dairy is, however, sure to be a success, if nothing unforeseen occurs. The two things to be guarded against are (a) dealing with non-members. (b) sales on credit beyond the value of members' shares.

Another interesting experiment started during the year at the instance of the Agricultural Department is the Mahakali Moslem Bank for the joint purchase of bonemeal. The experiment

conducted by the Agricultural Department in the area showed that the use of bonemeal produces good results and the society was formed to enable the members to purchase bonemeal by raising money.

Extracts from the Annual Report on the working of Co-operative Societies in Behar and Orissa for 1911–12.

General.—Four and a half years' experience of co-operative societies teaches one a number of lessons. One is to distrust one's own and other peoples' enthusiasm. The co-operative method is not a seed to be scattered broadcast and left to grow as it can. It requires selection of soil and careful tending. On the other hand, experience has proved that a co-operative society well formed and properly supervised can be run by ordinary villagers with immense benefit to all concerned. It can save the raiyat from the mahajan and give him a new outlook on life, it can make him thrifty, hard-working and self-reliant, it can improve agriculture, sanitation and education, it can heal factions and stop petty litigation, it can make village life healthier in all its relations. All these results I have myself seen. Of all the methods of attacking the agricultural problem, not on one but on every side co-operation is incomparably the most promising. A net work of societies would immensely facilitate general administration for the principle goes to the very root of the matter. The instinct of association is already deeply implanted in the people and the co-operative movement which appeals primarily to this instinct has undoubtedly come to stay. But the process of unaided evolution is slow, and the stimulus judiciously applied can only do good. Therefore I feel strongly that specially in a province like Bihar and Orissa, Government officers should take a more active part in extending the movement. I do not suggest that they should organise and control it; very much on the contrary. Official help is wanted in order to produce a popular movement. The immediate need is of numbers of reliable non-official organisers. It is useless at this stage to expect the Registrar to find them; he has neither the time nor the opportunity. But the District Officer is ideally situated for the purpose, and no branch of his work would bear more abundant fruit for less trouble. I shall refer to this matter again.

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But by far the most interesting experiment is Father Hoffman's Roman Catholic Mission Society at Ranchi. Father Hoffman has gone to the root of the matter; he sees that if co-operation is to avert the dangers that threaten the aboriginal, it must be by action on a large scale; and he has had the imagination and courage to face it. He recognises that sound results can only be obtained by gradual education, but he holds that progress on the ordinary lines would take a longer time than Chota Nagpur can afford to wait; and the magnitude of his task lies in the fact that he has undertaken the immediate education, not of a few villages, but of the whole Roman Catholic population of Chota Nagpur.

It is a great centralised society embracing the whole mission area in Ranchi. The district is divided into 16 circles, each having a missionary in charge. In every circle numbers of "rural units" have been formed, each a separate little society in everything but name, with its own registers and panchayats and separate transactions. All the units of one circle are under the control of the missionary in charge. The books remain with him; on a fixed date each unit comes to the mission station, holds its meeting under his supervision, transacts its business and has its books written up; and all transactions are reported to the Central Office in Ranchi and entered in the Central accounts. The idea is to train each rural unit in all the details of its work until it is fit to be registered as an autonomous society. The whole organisation is controlled in minute details by Central Panchayat at Ranchi under the direct guidance of Father Hoffman.

I have not received yet the review of last year's work. The rate of progress was less rapid than in the previous years, but it was encouraging. The membership has risen from 6,191, to 7,567 and the working capital from Rs. 37,000 to nearly Rs. 40,000. There is a slight decline in the amount of deposits by members, but on the other hand the total capital subscribed by members in shares (or compulsory deposits) of Rs. 3 per member and ordinary deposits have increased from Rs. 22,421 to Rs. 25,973; in fact, excluding a loan of Rs. 8830, free of interest, from Europe, *all the capital has been furnished by the members*. Loans amounting to Rs. 18,174 were advanced to members, Rs. 9,802 repaid.

Payment of interest was strictly punctual, and repayment of loan kists on the whole good. Father Hoffman fully realises that strict punctuality in the repayment of loans is probably the most important test and measure of success. Two of the circles showed serious default but the general meeting in April, attended by over 700 representatives dealt severely with them, and since then all except 10 or 11 men have paid up. The purposes of loans are interesting. Purchase of cattle heads the list, then comes payment of debts followed by cultivation expenses, redemption of land, trade, improvement of land, and raw materials. The list probably represents with fair accuracy the economic condition of the Ranchi aboriginals, his chronic need of cattle owing to the enormous mortality, his indebtedness, and the poverty which prevents him even from growing sufficient crops to provide seed for his next year's cultivation. A bright spot is the small expenditure on litigation, six loans totalling Rs. 105; which Father Hoffman attributes solely to the Settlement operations. And in the 28 loans for trade one may perhaps read the small beginnings of that enterprise which it is Father Hoffman's great ambition to stimulate.

The society is still in the making. The framework is almost complete, but most of its work and many troublesome problems lie before it. Every thing depends, and for years to come will depend upon Father Hoffman and the Circle missionaries. Several of these were sceptical at the beginning; now all are converted to enthusiasm. Before the ideal of self-dependent societies is achieved they will meet with endless difficulties which will take all their patience and confidence to overcome. Meantime, after $2\frac{1}{2}$ years' work, quite remarkable progress has been made with most unpromising material. Father Hoffman has the work well under control, and I have every confidence that he will bring his ambitious scheme to a successful issue.

Other forms of Co-operation.

The only experiment in other forms of co-operation in the new province is Father Hoffman's trading society, which has not yet been registered. This is another phase of his endeavours to

improve the conditions of the Chota Nagpur tribes. His aim is to educate the aboriginal in business habits, to make him more self-reliant and self-confident, to eliminate the middleman from all his transactions and to make him his own financier and his own trader. The credit society is designed to get rid of the *mahajan* and the trading society, to enable the aboriginal to sell his produce direct to, and to get his requirements direct from, the general market. The sale business is not practicable yet; but the supply branch has made a very promising start. The whole scheme is interconnected and only members of the credit society can be members of the trading society. There is a fairly large Central Store in Ranchi and several branches throughout the district. The statistics of the year's work have not yet been published; but when I visited Ranchi in November last the capital was about Rs. 12,000, and the Central Store alone had an average weekly turn over of Rs. 700. Father Hoffman, on whom the whole brunt of direction and development falls, has to try his own experience, and his difficulties are not made lighter by the fact that he has to manufacture his own agents out of the roughest aboriginal material. Considering the many obstacles, the progress made has been very encouraging and promises well for the success of the whole scheme. The question of the registration of the trading society will soon have to be taken up.

Extract from the Annual Report on the working of Co-operative Societies in Assam for 1911—12.

Deposits of members.—Members' deposits increased during the year from Rs. 75,073 to Rs. 88,378. I regret to say that in a number of cases these deposits are entirely fictitious. In order to obtain a Government loan at especially favourable terms a society has been required to show an equivalent amount deposited by its members. In many cases the required amount was borrowed for the occasion from a *mahajan* and repaid as soon as the organiser's back was turned the money being shown in the society's books as issued in fictitious loans to the members. In one case a Secretary, having learnt in this way to falsify the books for the benefit of his fellow-members, proceeded to falsify them further to his own advantage, and I have had to order his 'criminal

prosecution. In view of this tendency I think it undesirable to insist at the organisation of a society on substantial deposits from the members.

The rate of interest on deposits is 6 per cent in all societies.

Extract from the Annual Report on the working of Co-operative Societies in the United Provinces of Agra and Oudh for 1911—12.

Small Urban Credit Societies for Weavers.—The weavers' societies at Tanda (Fyzabad) are in a flourishing condition. There are now 20 societies with 541 members against 17 societies and 385 members last year. The capital has also increased. Loans have been advanced for all necessary objects, but the bulk of it is devoted to the purchase of yarn and trade in cloth. Nineteen members have purchased Serampur looms and work them. Credit for the success of the organisation at Tanda is due to the honorary manager of the Central bank, Hafiz Din Muhammad, a local weaver of enlightened views and considerable influence. The small credit societies for silk weavers in Benares are also progressing very satisfactorily. The members are no longer obliged to sell their products in dull market or to mahajans. Some of them have increased the number of looms. Some have started a joint shop for the purchase and sale of raw materials. The Sandila Weavers' yarn and cash society will be dealt with below. Weavers' credit societies in other places are also doing well. Co-operative ideas are taking a firm root and there is every hope that in time the credit societies will develop into societies for the joint purchase of raw materials and the joint sale of finished products. But productive and distributive co-operation requires much capacity and a strong feeling of cohesion amongst the members; so it is best to go slow in this respect.

Small Urban Credit Societies for other artisans and petty traders.—As will appear from the statements, there has been good progress in all societies of this class. Benares still leads the way with 41 societies, 941 members. Co-operative education in these societies is excellent; there has been a very marked improvement in the economic condition of the members. The number of members in the Rai Bareli societies has increased and repayments have

been very good. In Fyzabad there has been very good progress. Besides the weavers' societies in Tanda mentioned above, there are now 14 societies amongst the industrial classes in the towns of Fyzabad and Tanda. In Hardoi, Sandila and Jaunpur the movement is spreading on sound lines. Work in Allahabad and Lucknow has been considerably developed during the year. Seven very promising urban societies are now working in Allahabad town under the guidance of Mr. A. H. C. Hamilton. In Lucknow also seven societies have been started during the year amongst the milk-men, tanners, shoe-makers, butchers and chikan embroiderers. They are being carefully looked after by Munshi Azahar Ali, B. A. I am much indebted to these two gentlemen for their unselfish labours and I have little doubt that work in the two premier cities in the province will soon expand considerably. The urban societies in outlaying districts are also doing well. There is an excellent society amongst the blanket weavers of Najibabad (Bijinor) and another amongst the shoe-makers of Bulandshahr. Now that a district bank has been established at Bareilly and the Moradabad Bank has surplus capital, work amongst the numerous artisans in these two cities will probably be developed. The chief difficulty in societies of this type lies in the filling of a normal credit for the members. Fairly uniform criteria are not available as in the case of the rural societies. Experience is however being gained by working on different lines in different places and no societies has yet suffered any serious loss.

Types and classes of Societies.—The type of village society now favoured in the province was described by Mr. Fremantle in paragraphs 20 and 21 of the report for 1909–10. His policy was approved of by the Government. I have nothing new to say on the subject except that from the experience gained since I have been Registrar I am in entire accord with the views of Mr. Fremantle. True Raiffeisen societies exist in the Fatehpur district; but the movement is in a stagnant condition there. Everywhere else all new societies are of the type adopted by Mr. Fremantle, and the old affiliated or patti societies are being gradually reorganised into true village societies.

In the new type of society a great deal depends on the secretary and the panches. In theory the secretary is a mere scribe

and a paid servant of the society. But he is a literate man of a good caste and naturally acquires a high status amongst the illiterate members of whom societies are composed. If he is a local man, he often has his own friends and relations to favour. It is therefore necessary to select secretaries of a good type, to train them properly, and then to place them under the strict control and supervision of the peripatetic staff of the district bank. All these points have been steadily kept in view and although bad secretaries are by no means altogether unknown they are being gradually weeded out. With the spread of education amongst the members the account-keeping difficulty will disappear; meanwhile district banks must not neglect to look after the village secretaries.

The position of the panches is one of great power and responsibility. As the work of distribution and collection is vested in them they naturally acquire a predominance in the counsels of the society. The post of a sarpanch is not without its trials. The districts reports mention cases of sarpanches having been assaulted for demanding the dues of the society from recalcitrant members. In other instances sarpanches have been harassed with false cases because they refused to admit undesirable canditates for election. The sarpanch has also the custody of the cash balance and this is not always a safe or pleasant duty. It is not therefore strange that sometimes the best man in a village does not aspire to the position of a sarpanch and the society is saddled with an inefficient or dishonest man. It then becomes the business of the district bank staff to help to remove him and secure a good man. Instances have come to light during the year of the misbehaviour of sarpanches and secretaries. The number of such reports is however very small compared with the vast expansion of the work, nor has any serious loss resulted anywhere. I have very great faith in the honesty and the truthfulness of the villager in his dealings with his fellows in the village. The lesson to be drawn from these incidents is that the district and central banks must have an adequate and efficient staff. Village societies should for many years yet be subject to frequent inspection and thorough audit. The panchayat and the secretaries should be educated and supervised with tact and firmness. Securities should be taken from all employés who have charge of money. It is necessary to

emphasise all this because the directors of a district bank sometimes forget that the committee of a village society is not composed of men of the same calibre as themselves.

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Productive Societies.—No improvement can be reported in the affairs of the Benares Silk Weavers' Association. Last autumn the directors resolved to close the society but afterwards changed their mind and some of the Muhammadan leaders of Benares promised assistance in the management. No definite steps have however been taken yet. The sales went down from Rs. 33,000 to Rs. 22,000 and very little progress was made in the recovery of old debts. The directors have now wisely decided to write off a substantial portion of the old debts. Practically the whole of the capital of the association is locked up in unrealised debts and accumulated stock. During the year goods to the value of Rs. 14,500 only were sold by weaver members through the society. As there are nearly 500 members, it is clear that the Association under present conditions does not serve any useful purpose. There will be improvement only when *(a)* the wealthier members who also deal in silk cloth are excluded, *(b)* the capital is increased and the members are fully financed *i.e.* they are given cash advances for the purchase of raw materials and all cloth woven by them is taken over, and *(c)* up to date methods of business and account keeping are adopted. As some of the members have scruples regarding the payment of interest, there may be difficulties in raising capital. The directors have asked for further time to set their houses in order.

The Co-operative Dairy in Benares is working well. Five shops have been opened in the city and the building of permanent cattle sheds has been taken in hand at a cost of Rs. 2,500. The output at present is eight maunds of milk per day. The quality of the milk is much appreciated and it is in great demand. Profits during the year have not been large, mainly because the cost of transport from the dairy to the shops has been heavy. Occasional surpluses of milk have also caused trouble. These two difficulties are now being studied. There can be no doubt that the dairy has been beneficial to the cause of pure milk supply in the town and also to the Ahirs who own the cattle.

The promoters of a sugar factory at Kerakat in Jaunpur working the Hadi process desired to organise their business on co-operative lines. A society was registered by my predecessor. Owing to technical difficulties the business has suffered a heavy loss. After consulting the Director of Agriculture and at the desire of the members I have dissolved the society in the current year.

Audit and Inspection.—With the growth in number as well as extent of business of the large central societies, it is becoming impossible for the few Inspectors of the department to carry out a thorough audit of their accounts, especially within the short period between the close of the year and the submission of statements. Many banks have this year employed qualified outside auditors with my approval. The supply of such auditors is now very limited, but the difficulty will be removed when the new companies Bill is passed and a regular profession of auditors is developed in the country. It has now been made the duty of the superior staff of central societies to audit the accounts of small societies under them. The work is carefully checked and supervised by departmental Inspectors who carry out test audits locally in a fair proportion of cases. The accounts of all isolated societies are also audited by them.

The district and central banks are now employing a suitable staff for the inspection and co-operative education of small societies. The work of the departmental Inspectors does not however get any easier or lighter for the training and control of the large local staff is a laborious and responsible task. Moreover for many years to come, departmental officers and Inspectors must continue to make local inspections of rural and urban societies to see how the work is progressing and also as an example to the local staff. The central societies also require very constant and careful attention. The maintenance of harmonious relations with the directorates of these bodies demands considerable tact and ability on the part of the inspecting staff.

Extracts from the Annual Report on the working of Co-operative Societies in Burma for 1911—12.

Summary of General Progress.—The main features of the year's work are a moderate increase of Rural Societies in the Mandalay, Kyaukse, Sagaing and Pakokku Districts; the growth of the Upper Burma Central Bank and the transfer of its loan business by the Bank of Rangoon to that Central Bank; the increase in the number of Unions and in the proportion of societies affiliated to Unions; the "polishing" of societies in Yamethin and Meikila Districts; the growth of cattle Insurance Societies; the formation of co-operative Paddy Sale Societies; and the appointment of Mr. Dunn to develop a co-operative credit system in the Mon Canal Tract simultaneously with the distribution of waste land. As it has been found difficult to fit the operations of the Upper Burma Central Bank into the Imperial statements so as to show their nature, the Committees' Report and Balance Sheet is printed as an appendix to this report.

Reviewing the cases of ill success that have occurred in the past six years it is evident that for sound and effective co-operation, the members of a society must be even in influence and financial standing.

The 'one man' society can hardly succeed, nor can a society in which a few of the members are heavily indebted, or a few are abnormally well off. Isolated societies, too, not having the opportunity for emulation and discussion with neighbouring societies, are liable to get into stagnant condition and so to drop out. Big societies of eighty or more members are apt to prove unwieldy: it is difficult to instil co-operative knowledge into the mass of the members. They are therefore liable to break into factions, a result which soon disgusts the unpaid managers.

The Assistant Registrar, Maung Bya, points out that it has proved a mistake to start by requiring a modicum of co-operative action and to hope to stiffen conditions later. I agree with him entirely. The rule should certainly be, now to impose the stiffest conditions and insist on the co-operative principle being applied throughout. It is both possible and necessary now to pick and

choose from among applications and except perhaps in entirely new ground, no society should be formed which does not agree to accept the Union system when a Union is possible, to accept the resolutions of the Conference, and if required to do so, to pledge all the land of all members, regardless of the amount of loan taken by each man, to the society during the period of liquidation of prior debts.

I think further it will be wise to require that, as a rule, in tracts where co-operative credit is fairly established no rural credit society be formed which does not at the same time form a Cattle Insurance Branch. I say this in view of the urgent necessity for creating a public opinion in favor of an effective campaign against disease, and as cattle insured are, to the extent of the insurance, good security for loans. I do not think such a requirement will even temporarily abate applications. From Sagaing District applications for a credit society are not accompanied by applications for an Insurance Society, for which result the doings of the Wachet Insurance society are responsible.

I have no doubt that the machinery for Cattle Insurance can be as satisfactorily developed as that for credit *via* societies: reinsurance system is however essential if Cattle Insurance is to be widespread and effective, and I am not sure that Government would not be justified in supporting a Central Reinsurance society with financial help in its first years. The credit obtained from Credit societies is largely used to replace cattle dead of diseases that ought to be a large extent preventible, and, in as much as it is better to save a beast that to replace it, insurance should rightly precede or, at any rate, accompany a credit system.

The Joint Registrar, Mandalay, and the Assistant Registrar Maung Bya, who has actually formed all the existing Insurance societies, entirely endorse these views.

In view of past experience and to attain the maximum of efficiency in the staff it has become necessary to form a systematic programme of the year's work. January, February and March are occupied with Union General Meetings and the settlement of loans to be repaid and issued, April and May with audits and inspections,

June and July with the same and the collection of annual report statistics and balance sheets. The five months August to December remain within which, in addition to audits and inspections (which go on throughout the year) new societies can be enquired into and formed.

The system I propose to lay down for such formation is that such societies as Unions, after enquiry, are prepared to admit will be given a small loan for cultivation expenses repayable at harvest to learn upon, they will prepare lists of the maximum loan they consider each member good for regardless of what he applies for; and where outside indebtedness is heavy, they will complete the process of transferring all the land of all members to the society. Readiness to do this is a good test of their co-operative spirit. Arrangements will also, if possible, be made with outside creditors for a reduction and settlement of claims. Such societies will thus be grounded and ready for full financing at the next Union General Meeting to be held after harvest. The General Meeting will settle the amount of loan and it will in most cases be possible to deliver it to the new society by transfer from old societies' repayments a procedure which will save time and expense in remittances to and from Upper Burma Central Bank.

Of the maximum loan that a member is found to be good for I consider not more than three-fifths should go to settlement of outside debts, one fifth may go to other purposes (cattle, seed or subsistence) and one-fifth should be kept available for subsequent urgent requirements.

It is not of course desirable or possible to sanction funds for the liquidation of prior debts in every case or always in the first year of a society's existence. Cultivators can often, without a loan for the purpose, liquidate such debts, where the rates of interest are not unconscionable (say 60 per cent or below), provided they get loans for cattle and cultivation expenses.

Loans to members of Rural Societies are now classified as (*a*), (*b*) and (*c*) loans, (*a*) loans being those for cultivation expenses, subsistence or seed which are repayable at harvest, whenever taken; (*b*) loans are for cattle and are repayable in instalments in two or three years as arranged at the time of disbursement; (*c*) loans are for

payment of outside prior debts, and for land purchase or redemption and are repayable in instalments in three or four years. For the most part this system has formed the basis of repayment this year.

There are now forty-three Unions in ten districts comprising 486 Rural societies. Shwebo District still heads the list with eleven Unions. Their funds, chiefly devoted to the payment for inspection work, have, with last year's closing balance, amounted during the year to Rs. 5,261, raised by a 4 or 6 anna rate per Rs. 100 of assets from affiliated societies. They have spent Rs. 3,417 and their closing balance is Rs. 1,843.

There are now seven societies in the Amarapura Union largely composed of silk weavers. The fact that many of these weavers are also cultivators in a small way accounts for the classification of these societies as Rurals. The Union has with the help of Mr. Saunders, the Commissioner of Mandalay introduced the fly shuttle and other accessories and established a small school at which two weavers who have learnt the use of them are instructing other members. The Union and the societies have spent over Rs. 700 in all in this direction and are hopeful that the industry will derive large benefits from the improvements introduced. As they are paying for the experimental I think there is a good prospect that it will succeed.

Societies wound up.—Since the first society was registered on 3rd January 1905, thirty Rural and five Urban Societies have been wound up and four rural societies are in process of being wound up.

Societies are wound up because they fail to succeed: they are naturally the worst and their ability to discharge their liabilities is a valuable criterion of the stability of their more successful fellows. The reasons that have led to dissolution were, of the thirty-four Rurals (thirty wound up and four being wound up) unwieldiness and splitting into several societies 6
One man management 2
Dishonesty 4
Apathy and bad management due to insufficient financing, unsatisfied ambition or a too rich clique at the head ... 9
Dissensions 3
Bad management and accounting 4

Fear of liability on part of one or more members ...	2
Never worked	2
Bribed to dissolve by money lender	1
Acquisition of competence and no room to expand(a family concern)	1

For the dissemination of information from Burma and other countries on co-operation and Agriculture, and to provide a simple means of issuing general instructions and orders to societies an arrangement has been made with the Proprietor of the "Star of Burma" a vernacular newspaper printed in Mandalay whereby he will issue a co-operative supplement of four pages (Twelve columns) with the first number of the newspaper each month. The rate of subscription will be Rs. 2-8-0 (including postage) per year for twelve issues and the more forward societies will subscribe to it. The first supplement was issued at the beginning of July.

Extracts from the Annual Report on the working of Co-operative Societies in Mysore for 1911—12.

Next in importance are the Stores which number 13. The principal benefit conferred by them lies in the fact that they supply good articles at reasonable rates and in honest measure. Their success depends upon a large membership and this can be secured only by a federation of societies purchasing for their requirements from a Central Wholesale Society or in the busy centres of population like District headquarter towns which are the most suitable areas where they could be started. It is accordingly found that the Stores Societies in the towns of Bangalore and Mysore are the most thriving. The societies in Sira and Kolar have also achieved considerable success. The rather technical nature of the business of stores and a keen outside competition serve to prevent their rapid expansion. The existing stores have a capital of about Rs. 25,000 and have done transactions to the extent of Rs. 1,90,207.

There are 8 productive societies working, of which 7 are intended for the benefit of weavers and the remaining 1 for the benefit of the lacware artisans of Channapatna. All the weavers' societies are doing good work. Those at Melkote, Mysore, Grama and Molakalmurru are the most thriving. The Lacware Factory at Channapatna which was working as a branch of the Channapatna

society has recently been separated and has been working as an independent institution.

Productive societies are intended for the benefit of the smaller artisans and are capable of being applied to different hand-industries. But they depend for their success on the state of technical knowledge which prevails among the members, the degree of their familiarity with business habits, and the extent to which they are willing to sacrifice individual interests for a common cause. Under present conditions, weaving is the principal industry which can be carried on on co-operative lines. Even here, however, the ignorance, thriftlessness and poverty of the weaving classes in general and the difficulty of finding a ready market for their wares tend to wreck attempts aiming at their improvement. As regards other hand-industries, there are additional reasons why the application of co-operative principles to them appears to be premature. They are scattered over different parts of the State and the people engaged in them are not localised in definite areas. It will therefore be a matter of some considerable time for these men to combine for their economic improvement without which success is impossible.

Among other classes of co-operation should be mentioned one House Building Society, three Grain Banks and three Agricultural Associations. I have nothing to add to what I said in my last report regarding Grain Banks. They remain stationary as their purposes are better served by Cash Banks.

As regards Agricultural Associations, the chief function performed by the three Agricultural Associations in existence is to improve the present methods of agriculture and agricultural industry. They conduct demonstrations, provide good seeds and spread a knowledge of agricultutal matters by means of leaflets on special subjects. That the present associations have not done all they could, and that more have not been started are due to the fact that the duties of these societies are of a technical and difficult nature and require the advice and assistance of an agricultural expert. With the development of the Agricultural Department in the State, of which there are visible signs, it is hoped, this can be remedied to a considerable extent and better success achieved.

Extracts from Speeches.

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Conference of Co-operative Registrars.

Sir R. Carlyle's Address.

SIMLA, *October* 31.—The Hon'ble Sir Robert Carlyle in an address to the Conference of Registrars of Co-operative Societies on Monday the 28th October said :—When I first read the last Report many matters of importance struck me which I wished to mention, but on consideration there is one point of such outstanding importance that I will at present confine my remarks to it alone.

The very success of the co-operative movement brings its own dangers, and it appears to me that the chief of those dangers is that we may be tempted to go too fast and outgrow our strength. We should, I think, be very careful in organising Societies. One good Society does more good for the co-operative cause than twelve indifferent ones. One society well run on sound co-operative lines does good not only to its own members but also outside throughout the neighbourhood in which it is working. It forms a centre from which the understanding of co-operation is radiated, and one such centre is worth many such societies in the working of which the benefit of co-operation is indifferently illustrated. There is a distinct danger now that the great benefits of co-operation are so conspicuous that we will be pressed to move too fast. I would not have ventured to say this four years ago when the movement was in its infancy, and I trust you will not misunderstand me and think that I want to throw cold water on the rapid extension of the co-operative movement. But I do wish to emphasise the fact that there is a danger in too rapid extension which may endanger the movement itself. Pressure is in many cases brought to bear on you to register more and more societies whether the people are ripe for them or not; and weak societies will, in the long run, tend to prevent the movement developing as it otherwise would do. The co-operative movement is one of the most important if not quite the most

important movement of the present day in India, and because of its very importance we should make sure of our ground as we advance.

He again addressed the conference on Wednesday, the 30th October saying: "It has occurred to me that possibly I confined my remarks on Monday so severely to one point that I may have laid myself open to misunderstanding. I told you how important I thought it was not to extend the movement too fast. I do not wish to qualify in any way what I said, but I want to dwell on a different aspect. If we get a sufficient number of non-official gentlemen interested in the movement and understanding the principles of co-operation, we can ensure that societies shall be started in large numbers and yet be run on sound lines. We owe a debt of gratitude to the non-official gentlemen who have done so much for the movement in the past and they are indispensable for the future if the movement is to progress rapidly and on sound lines. You, non-official gentlemen, who are here to-day are all pioneers, and to you attaches the peculiar honour due to all pioneers of great and beneficent movements. We want a great many more men imbued with the same spirit. I hope I have made it clear that what I am afraid of is not rapid progress but unsound progress beyond our strength to supervise. What a safe rate of progress may be depends very largely on the rate on which our supervising agency can be developed, and this again depends on how rapidly we can attract to our assistance non-officials full of zeal and understanding and the understanding is as necessary as the zeal. I would add a few words on one or two other points on which I believe there is misunderstanding. But it is said (I do not know if all share the view) that detailed inspection and supervision should be as far as possible non-official.

I for one do not wish to see the Government lose touch of the movement. I hold on the contrary that it is essential that the Government should guide and assist co-operation, but we have to guard against departmentalism, and routine, and it is very difficult to avoid these evils if the number of Government officers connected chiefly with the movement is not kept low in proportion to the work to be done. I believe there are some who think that the Government should contribute more largely pecuniarily. If I on

the other hand, hold that it is desirable to limit the Government grants to the narrowest possible limits, it is that I believe it as impossible for co-operation to develop on a large scale in a healthy manner if it is not run on strictly business lines. If I object to anything in the form of charitable relief from the Government in the case of Co-operative Societies I object equally to charitable relief from private individuals. Help may be given from charitable motives but it should be given on business lines. Here again do not misunderstand me. Special cases may arise and have arisen and must be dealt with on their merits. I for one believe that it may prove possible to do a great deal in times of famine through Co-operarive Societies, and it is certainly not in time of famine that the Government would allow Co-operative Societies to struggle unaided against the disaster. It must, however, be remembered that in all that I have said to you I am expressing my personal opinion only and cannot speak as expressing the views of the Government of India. Gentlemen, I must apologise for taking up some of the very limited time at your disposal, but I am so anxious to prevent any misunderstanding that I hope you will forgive my addressing you again.

NOTES.

Funds for Building Workmen's Houses.

(*Extract from the Bulletin of the Bureau of Economic and Social Intelligence*).

How can the necessary funds be found for building workmen's houses in the country? This subject was treated in the first place by the landrat Berthold of Blumenthal, famous for the important services he has rendered for the welfare of the country districts. He proclaims before all things the necessity of cheap construction and, therefore, he asks that in the country the construction supervision department be less exacting. Comparing the results obtained in settling marshy districts in Holland and in the province of Hanover, he attributes the inferior success of German settlements to the fact that Germany from the start imposes too heavy burdens on the settlers, giving them houses three or four times as dear as those of the Dutch settlers. Among the numerous attempts that have been made to obtain the funds necessary for the realisation of this object, the speaker mentioned especially the attempts in the Province of East Prussia, where the Landschaft grants loans even on second mortgages, and in Silesia, where the Landchaft and the *Landesversi Cherungsanstalt* have united to provide supplementary loans for the construction of farmhouses.

Von Schwerin, Prefect of Frankfort on Oder, who presented a second report on the matter, examined exclusively from the point of view of the collection of funds. He is of opinion that there is still more money that could be obtained and not yet utilised for the purpose to the degree that it might be; especially the savings bank surpluses, which amounted in 1910 to 26 millions, the funds of the provincial aid societies and sickness insurance institutions.

Resolutions of Farmers' Congress.

The work of the Farmers' Congress gives us an excellent example of the manner in which the agricultural classes may obtain

due consideration for the problems that affect their interests, without seeking private and petty ends, but the general welfare of the nation.

Let us, finally, mention the resolutions passed in the last meeting. They repeat those of the previous meetings and refer first to (1) the introduction af the system of parcles post ; (2) the improvement of communications, both by land and water; (3) agricultural instruction in schools ; (4) industrial production ; (5) the law on selected seeds ; (6) the direct election of senators ; (7) teaching of household management and agriculture in rural schools; (8) Finally, the meeting declared itself opposed to the free distribution of seeds by members of the Congress.

A course of instruction in co-operation was organised in February and March last by the Ruthenian agricultural society of "Silskyi Hispodar" on the lines followed by the General Federation of Agricultural Co-operative Societies of Austria (see Bulletin year I, No. 1, page 149). The lessons, in the form of lectures, are followed by debates on the subject treated.

Training class for Inspectors.—The General Federation of agricultural co-operative societies of Austria organised this year, for the first time, a training class for inspectors of co-operative societies. This first experiment was crowned with complete success. Nineteen inspectors belonging to the several nationalities attended and at the end of the course they passed the final examination with excellent results.

The success of this class is due to the fact that it was only attended by persons having a sound preparation for the work and at least two years' experience in a co-operative institution.

All this tends to improve and perfect the work of inspection.

The Federation proposes to convoke in July of this year a conference of inspectors at Vienna for the discussion of the more important questions connected with the inspection of co-operative societies.

The Brightening of Country Life.

With very little effort, compared to former times, the dullness of country life can be greatly modified. The increased facilities for

transport which enabled the people to move from the country, can judiciously, used, be the means of bringing them back, and of transforming country life. Motor traffic and bicycles have brought country and town into much closer relationship. Educational advantages, hitherto associated with town life, are thus placed within reach of country dwellers ; lectures can be arranged and attended, dramatic and musical entertainments provided, and country centres be constantly stimulated from the cities. Increased business co-operation is likely to lead, especially among an educated people, to more social co-operation, particularly if the needs of the country are studied with more sympathetic interest by the class of people who have devoted most of their social effort to the needs of the town. This is especially true with regard to the young people. A hopeful sign is the revival of ancient village sports, dances, and peasant drama and pageantry.

In this connection may be mentioned the project of Garden Cities, the aim of which is to brighten the lives of persons engaged in industrial pursuits by surrounding their work with conditions which combine the advantages of the country with those of the city. It is possible that this project may play an important part in the repeopling of the rural districts. In 1902 Mr. Rider Haggard disparaged the idea as any serious contribution towards a solution ; in 1906 he was convinced of its possibilities. Seven years ago the flourishing Garden City of Letchworth was bare grass land ; there are now two factories established in it and it is growing rapidly, while at the same time it is preserving its rural character owing to the direction and control of its development by persons with a definite ideal to preserve. The industrial villages of Bournville and Port Sunlight, where all the workers in the great industrial enterprises to which they are attached, have their own gardens and allotments are by no means altogether separated from the soil, are examples to be studied.

CORRESPONDENCE.

Letter to the Secretary of the Utteramallur Union from its supervisor.

* * * *

The Kavanur Puduchery Rural Credit Society No. 631 as compared with other societies bids fair to become a model one seeing that it proposes already to work on a new and very useful line.

They have decided that every member should pay a monthly subscription of 2 annas and that the male and the female children belonging to the family of each member should be compelled to attend school and learn. They have arranged that no fee except the subscription should be demanded from the children of members. They further desire that even illiterate adult members should, at their leisure, begin to learn something and suitable arrangements have been made for their education. In the case of non-members they have provided that each child should be made to pay 4 annas as fee for its schooling and higher fees should be demanded for children in higher classes.

There are now 20 children on the rolls. At the time of inspection on 20th September 1912 only 15 were present and 5 were absent and that evening there was a drill exercise for them. The teacher is paid Rs. 5 a month and the school is being worked under the strict management and control of the co-operative society.

The Kammalampundi Rural Credit Society has also passed a resolution to open a similar school but nothing has been done yet, probably because no teacher is forthcoming.

The Kavanu. Rural Credit Society have arranged to have the school next door to the society premises so that they may always give their close attention to it.

The society is making progress in every possible direction. The Secretary out of his private money is erecting on his own land a separate building for the use of the Sangam. There are many useful things done by the society. The panchayat too seem to take real interest in its work.

(Signed) V. THIRUVENKATACHARIAR,
Union Supervisor.

To

The Editor of the Co-operative Bulletin,
MADRAS.

SIR,

With reference to what I am reported to have said at the 1st Madurantakam Co-operative Conference, I beg to say that it does not accurately represent what I said.

I said that in rural societies the whole of the profits made in any year, is carried to the Reserve Fund of the societies. This need not be. A portion of them might be given back to borrowers *pro rata* on the amount of interest paid by them in time according to the agreement in their debt bonds. This would be an encouragement to them to be regular in fulfilling their bonds. A real relief would be rendered them in as much as they would be virtually paying a lower rate of interest. As Reserve Funds swell, and the business of the society expands and the borrowers become more and more regular in fulfilling their agreements with the society, the rate of interest falls lower. This is the true way of relief to the borrowers and not by lowering the nominal rate of interest itself.

I request you to kindly put this in your next issue if possible and oblige.

Yours faithfully,

(Signed) P. RAMACHANDRA SASTRY.

CONJEEVERAM,
20—10—12.

CIRCULARS.

Circular R. C. Gl. 2120 and 2226 of 1912 dated 26-7-12.

With regard to the method of calculating penal interest I may say that I had this matter under consideration during my inspection of Kalyandrug societies. I have decided that no relaxation should be allowed in respect of instalments and that penal interest should be paid on the whole principal outstanding and not merely on instalments. I think it would be well to provide expressly in the by-laws that to persons paying with penal interest on the entire principal, the instalment due within three months after it falls due, an extension may be granted in which the period of default should be included and that in the case of persons committing further default after three months their accounts shall be definitely closed, a registered notice sent them for full amount due including principal and interest and necessary action taken on their not complying with the notice within one month after receipt. The practice at present in regard to penal interest is by no means uniform. Some societies do not allow a single day of default in any case. These are ideal societies and their by-laws need not be altered. Others allow months of default and then quietly accept the instalment overdue with ordinary interest. This is culpable and gross leniency and the plea that penal interest can only be charged when an account has been closed and notice sent to the defaulter leads to much laxity in practice. Some few charge penal interest while accepting an overdue instalment but for this again there is no justification in the letter of the by-laws at present. Strict conformity with the existing by-laws entails a cumbrous and somewhat dangerous procedure, *viz.*, to close the account, give notice and grant a re-loan of the entire amount due, accepting or not according to the debtor's convenience an instalment while reopening the account. Not to insist on an instalment in such cases is to allow a debt to run on, it may be for years without the payment of a single instalment the whole time. This very dangerous practice has been reported from societies

otherwise reputed to be very good and must be put a stop to. I therefore think that if in a bad season such as I have witnessed in Kalyandrug and Salem a re-loan is necessary, the instalment should at least be paid out of the re-loan. There will be an increase of indebtedness in consequence in individual cases but I do not see any alternative to what I consider to be an unmitigated abuse.

Further in order to bring all such abuses to light there should be a register showing the history of individual indebtedness maintained by every society. The accompanying form which will show at a glance this fact of re-loan and the stationary or growing tendency of the loan is suitable. I recommend its adoption.

General No. Name.

No. of shares on. Amount that he may borrow Rs.

Property. Amount for which he can stand surety Rs.

Direct Loan.								Surety ship Loans.							
Date.	Loan taken.		Loan Repaid.		Balance.	Initial.	Date.	Loan taken.		No.	Amount.	Balance.	Initial.	Date.
	No.	Amount.	No.	Amount.				No.	Amount.					

Report of M. R. Ry. A. Vedachalam Aiyer, Avl., Special Deputy Collector, Co-operative Societies, Madras, on the inspection of a Rural Credit Society.

I have the honour to report on the inspection of the Rural Credit Society in the district of———. The Secretary is one who is incompetent to do the functions of his office. The President and Treasurer take some interest in the matter. He is however in the habit of never insisting on the payment of instalments. He even accommodates by crediting in the accounts the instalments as having been paid even though no payment has been made. This accounts for the delay in remitting to the central bank its dues on the due dates. The other members of the panchayat take no interest in the matter and the whole institution is thus run by this President and Treasurer who is lenient in recovery and himself is not a clever man. The one thing in his favour is that he has some property. I convened two general meetings in which very few attended and the people are unwilling to sit on the panchayat and no one is willing to be the Secretary and do the work. In the circumstances, there seems to be no remedy but to close the bank. There are a number of money lenders lending at exorbitant rates of interest and it is their interest to see that the bank does not flourish. Before actually passing orders about liquidation, I have arranged to stop reloaning of collections. With the exception of a very few cases which are loans on the pledge of immoveable property, the loans are all on the security of two sureties. Being one man's business, it is not certain that his estimate of the sureties can be very well relied on. In fact the sureties were allowed to stand as such for any amount and investigation about their status was only an exception. There seems to have been a regular preaching to encourage surety loans by Inspector——, a young man with not much of knowledge in his work, but the Inspector does not seem to have realised the care to be exercised and enquiry to be made in the granting of loans on pure sureties. The periods of repayment were allowed to be exceeded and extensions granted without the consent of the sureties in writing. Surety loans no doubt facilitate the work of co-operative societies and prevent the delays resulting from executing mortgages on immoveable property, but surety loans are not of much value unless the required safeguards are properly secured. Some inspectors

seem also to be ignorant of it and even if they know them they do not see that the panchayatdars understand them or put them into practice. I think it will be safer to restrict the grant of surety loans in the following cases:—

1. Short term loans not exceeding one year (ordinary loans for food expenses, kist, cultivation expenses); no extension to be given.

2. Long term loans provided the instalments are paid and the sureties agree in writing to stand as sureties.

3. Members to stand as sureties only for such amount as indicates their borrowing power.

4. Personal loan of any member and the amount for which he stood surety should not exceed the value of the property and a certificate should be appended by the panchayat in proof of the observance of this rule. The appended register should be maintained and the inspectors should scrutinise it. In regard to—— society, I have asked the President to do the following:

1. To recover the dues on the due dates and to remit all the collections to the District Bank without reloaning.

2. To give one year's time for repayment of the balance of debt due in each case after the instalment is paid in time provided the party gives a mortgage document.

3. To file suits in all overdue loans up to date.

4. To give no extensions in all cases of loans for which periods of repayment have been fixed as 3 months, 6 months and 9 months.

If this system is adopted, our loans will be cleared mostly in the course of a year and the balance will be completed in 2 years. It is hoped that within a year, the people will come forward with competent men to look after the work. Non-re-loaning is sure to produce some effect. If after these steps are taken no sign is shown of getting a good panchayat the society must be closed. The present state of the society is the result of the backward inspection by the Inspectors who were stationed at Dharmapuri.

In this connection I wish to suggest that the Inspectors might advisedly be collected by the Section Deputy Collectors or by the Registrar in one place and regular instructions given every year as to what they should do, pointing out the defects in their working. To run the account portion of the societies may be easy for the Inspector, but I am not sure if many of the Inspectors do grasp the principles of co-operation and inculcate the principles to be followed in giving loans etc.

Endorsement thereon R. O. C. 4147 dated 1st October 1912.

The Deputy Collector's remarks are concurred in by me.

Circulated to Special Deputy Collectors for information and guidance.

MODEL BY-LAWS.

——:(o):——

By-Laws of the Big Conjeeveram Urban Weavers' Union Limited, No. 21.

(*Revised*)

ORGANISATION.

The Big Conjeeveram Urban Weavers' Union, Limited, No. 21, shall be registered as an Urban Co operative Credit Society under Act X of 1904 (India).

2. The registered office of the Union shall be in Big Conjeeveram. Its operations shall be confined to Conjeeveram and the villages of Muttiyalpettai, Ayyanpettai, Rajampettai, Ekanampettai, Nayakkanpettai, Vanipettai, Karukkupettai, Timmarajanpettai and Sherkadu.

3. The object of the Union is the improvement of the handloom industry and of the economic condition of the weavers residing in places named in by-law 2. For the purpose of attaining this object, it shall be competent to the Union to raise the money required for the Union from weavers and others, by issue of shares and by borrowing by way of deposits or otherwise; the purchase of such raw materials and appliances as may be required for the industry and retail the same either for cash or credit to the weaver members residing in those places; to grant loans to them; to purchase and hold in common or let on hire improved appliances connected with the industry; to purchase or receive for sale the finished products of members' looms and sell the same to the best advantage and to do such other acts as may be conducive to the attainment of the general object of the Union.

4. Omitted.

5. Any person over 18 years of age residing within the area of operations specified in by-law 2 may, on his paying for one or more shares, be admitted as a member of the Union, on his application to the Secretary in the form prescribed from time to time

by the Directors; but it shall be open to the Directors to reject any application without assigning any reason. The share money may, with the previous sanction of the Directors, be paid in instalments.

6. The liability of each member of the union shall be limited to the share capital subscribed by him.

7. Omitted.

8. A register of members showing the address of, and shares held by, each member shall be maintained.

9. A member may transfer his share or shares but no transfer shall be valid without the previous sanction of the Directors.

10. Should a member cease to be eligible for membership either on account of the removal of his residence from the area of operations specified in by-law 2 or for any other cause the Board of Directors shall remove his name from the list of members, taking steps at the same time to recover all moneys due by him to the Union.

11. Should a member die and should his heir or successor-in-interest be willing to join as a member and the Board of Directors be willing to admit him, the latter shall be admitted accordingly, but the heir or successor-in-interest of a deceased member is not bound to join as a member nor are the Board of Directors bound to admit him. In case the heir or successor-in-interest of a deceased member is not admitted as a member in lieu of the deceased, the Board of Directors shall take immediate steps to recover all moneys due to the Union by the deceased.

12. (1) The management of the affairs of the Union shall vest in a Board of Directors consisting of a President, a Secretary, a legal adviser and four other members to be elected once in three years by the general body of members.

(2) Should a vacancy on the Board of Directors occur in the interval between two elections of office-bearers, the vacancy shall be filled up by the remaining Directors and the appointment so made shall hold good until

the next election of office-bearers by the general body of members.

(3) Notwithstanding the expiry of his term or his resignation , a Director shall continue in office until a duly appointed successor takes charge of his office.

(4) No member shall be eligible to be a Director, unless he holds at least ten unencumbered shares or to be a Secretary unless he holds twenty unencumbered shares.

(5) Three Directors shall form a quorum of the Board of Directors.

13. The Board of Directors shall appoint as panchayatdars not less than five and not more than 25 weaver members, for a period of two years to check and value finished products, to report on the fitness of applicants for loans and of their sureties and generally to help the Board of Directors in the management of the Union.

14. Subject to the resolutions of the Board of Directors, the executive management of the affairs of the Union shall vest in the Secretary.

Funds.

15. The capital of the Union shall be Rs. 50,000 divided into 10,000 shares of Rs. 5 each.

The admission fee shall be 2 annas per share. Three thousand shares shall be reserved for allotment to weavers resident in the area of the operations specified in by-law 2. In the allotment of shares preference shall always be given to weaver applicants.

16. Except with the previous sanction of the Registrar, the Board of Directors shall not borrow, whether by way of deposits or debentures or bonds or otherwise, more than Rs. 10,000 nor pay a higher rate of interest than $7\frac{1}{2}$ per cent. *per annum*.

17: The Secretary of the Union shall be *ex-officio* the treasurer and he shall, as such, be responsible for all the moneys of the union. The moneys of the union shall ordinarily be kept either in the Post Office Savings Bank or in the Big Conjeeveram Town Bank, Limited.

Raw material.

18. The Board of Directors shall purchase such raw material as they may find necessary and on such terms as may appear to them reasonable.

19. The Board of Directors shall lay down rules to regulate the advance or sale of raw material to the members of the Union and the recovery of the cost of the same from the members concerned. It shall be competent to the Board of Directors to alter these rules from time to time.

20. A member of the Union who, having received an advance of raw material, sells such material or otherwise deals with it in contravention of the rules laid down by the Board of Directors shall be liable to a fine not exceeding Rs. 5 for every such offence ; and if he persists in such conduct it shall be open to the Board of Directors to direct his summary expulsion.

Ready money advances.

21. The Board of Directors shall be competent to make ready money advances for weaving purposes to members ; provided, however, that such advances shall not ordinarily exceed Rs. 5 per loom and provided also that arrangements shall be made for the adjustment of these advances when the finished products are delivered.

22. It shall be competent to the Board of Directors to lend money to weaver members to pay off their prior debts provided, firstly, that the total amount so lent shall not at any time exceed Rs. 500 ; secondly that the total amount lent to a single member for this purpose shall not exceed Rs. 50; and thirdly that arrangements shall be made for the repayment, within a period not exceeding two years, by weekly instalments, of the money advanced to a member to enable him to pay off his prior debt.

22-A. A member applying for a ready money advance shall produce one or more sureties to the satisfaction of the Board of the Directors.

23. Every member shall sell his finished products to the Union at such rates as may be prescribed from time to time by the Board of Directors.

24. It shall be the duty of all the members to deliver their finished products from day to day to the Board of the Directors, accounts being adjusted at the end of every month. A member who sells his finished product otherwise than to the Board of Directors shall be liable to a fine not exceeding Rs. 5 for each offence, and if he persists in a breach of this rule, it shall be competent to the Board of Directors to expel him summarily.

25. The Board of Directors shall arrange to sell to the best advantage the finished products delivered by members.

Accounts and establishments.

26. The Board of Directors shall maintain such accounts as may be prescribed from time to time by the Registrar of Co-operative Societies.

27. It shall be competent to the Board of Directors to maintain such establishments and to incur such expenditure as may be necessary to enable them to manage the affairs of the Union.

27-A. (1) The Secretary shall have power to appoint, suspend, or fine, or dismiss the members of the establishment subject to the approval of the President. (2) The Secretary shall have power to prescribe from time to time, in the case of members working in the workshop of the Union, their working hours, remuneration and penalties for irregularity or bad work subject to the approval of the Board of Directors.

27-B. Every weaver member shall pay into the society every month one anna for every rupee earned by him. This sum shall be invested by the union and interest at the rate of 6 per cent. *per annum* calculated on entire rupees for entire months, shall be added to the sum once a year in the month of January. When a member withdraws or dies, the total amount standing to his credit shall be paid to him or his heir or successor-in-interest. If a member withdraws through disability, old age or any other cause accepted by the Board of Directors, the Union shall further pay the member a bonus of 25 per cent. on the total amount standing to his credit.

Profits.

28. One-fourth of the net profits of the Union shall be carried each year to the reserve fund and the balance shall be distributed as follows:—

(1) Thirty-three per cent. shall be distributed to members as dividends in proportion to their paid-up share capital.

(2) Thirty-three per cent. shall be distributed as bonus to weaver members in proportion to work done or yarn or appliances purchased by them and to loan-takers in proportion to the amount of interest paid without default during the period.

(3) Twelve per cent. to panchayatdars.

(4) Eight per cent. to the Secretary.

(5) Ten per cent. to the educational purpose of weavers.

(6) Four per cent. to the dividend equalisation fund.

The dividend paid in any year shall not, subject to the following rules, fall short of 5 per cent. of the paid-up share capital.

(1) Whenever the dividend paid falls short of 5 per cent. of the paid-up share capital, the deficiency shall be made up firstly from the accumulated dividend equalisation fund and secondly, proportionately or wholly from the portion allotted to bonus, secretary, panchayatdars and in no case from the reserve fund.

(2) Any further deficiency shall be a first charge on the profits of the succeeding year.

29. No member can claim a specified share in the reserve fund. The reserve fund shall be invested either in the Post Office Savings Bank or in such other manner as the Registrar may prescribe. It shall not be drawn upon except to make losses good or without the previous sanction of the Registrar. Should the union happen to be wound up the reserve fund shall be devoted to the education of weavers.

Miscellaneous.

30. A general meeting of the members shall be held once a year or oftener to pass the annual report and accounts, to consider the Registrar's audit certificate and to transact such other business as may be placed before them by the Board of Directors.

30-A. Every member shall have only one vote without reference to the number of shares held by him.

31. Ten members shall from a quorum for a general meeting. It shall be the duty of every member of the Union to attend its general meetings. A member who fails without reasonable cause, *i.e.*, a cause which is considered satisfactory by the Board of Directors, to attend a general meeting shall be fined not more than 4 annas by the Board of Directors.

32. A member on whom a fine is imposed by the Board of Directors, under by-laws 20, 24, 27—A or 31 shall be suspended from the privileges of a member, and shall remain so suspended until he pays the fine.

33. When a member becomes ineligible for membership or is expelled from the Union, all moneys due from him to the Union shall become immediately due and it shall be the duty of the Board of Directors to collect all such moneys without any delay.

34. The liability of a member who resigns shall continue for two years from the date of acceptance of his resignation.

35. The estate of a deceased member shall remain liable for a period of one year from the date of his decease, for the debts of the Union, as they existed at the time of his decease.

36. The Union shall be entitled, in priority to other creditors to enforce its claim upon the implements or raw material supplied by it to a member or purchased in whole or in part with money lent by it in respect of the outstanding liability of the member concerned on account of such supply or loan.

37. The Union shall have a first charge upon all moneys due by it to a member, in respect of any money due to it by such member and it shall be competent to the Board of Directors at any time to set off the former against the latter.

38. Any dispute between the Board of Directors and a member which cannot be amicably settled locally shall be referred to the Registrar of Co-operative Societies whose decision shall be accepted without question by all members.

39. No amendment to, alteration in, or cancellation of a by-law shall be valid until the Registrar of Co-operative Societies approves of it. When the by-law altered or amended relates to the nature and extent of the liability of members for the debts contracted by the Society, the alteration or amendment shall not be valid until it is also approved of by Government.

40. All suits by or against the Union shall be in the name of the Secretary *ex-officio*.

The Kumbakonam Co-operative Agricultural Society Ltd. No. 986 By-laws.

Name, address and object.

The Kumbakonam Co-operative Agricultural Society, Limited, No. 986, is registered as a co-operative society under India Act II of 1912. Its address shall be Kumbakonam post, in the Kumbakonam taluk of the Tanjore district. Its operations shall be confined to the Kumbakonam and Papanasam taluks.

2. The objects of the society shall be (1) the co-operative purchase of seed, manure and implements for sale or distribution to members and to other co-operative societies: (2) to borrow money for being utilised as loans to members for agricultural purposes and (3) to disseminate information on agricultural matters.

3. Any person over 18 years of age and of sound mind residing in the area mentioned in by-law 1, shall be eligible for admission as a member, provided, however, firstly, that no person can claim admission as a matter of right and secondly, that every member shall be an agriculturist either owning lands or cultivating land.

4. Applications for admission and for allotment of shares shall be disposed of by the managing committee who may either grant an application or reject it without assigning reasons.

5. The liability of a member shall be limited to the share capital subscribed by him.

6. No member shall be permitted to withdraw from the society within five years after he joins, but he may withdraw after such period, after giving notice in writing to the managing committee, provided that there are no debts due directly by him to the society and provided also that there are no debts due to the society in regard to which he has stood surety. When a member withdraws under this by-law, he shall be given back the capital contributed by him as his share after deducting the equivalent of the seed or money, if any, due from him to the society.

7. Should a member cease to be eligible for membership at any time, the managing committee shall remove his name from the list of members and shall pay him back the capital actually contributed by him as his share, after deducting therefrom the equivalent of the seed or money, if any, due by him to the society.

8. If a member dies, then should his heir or successor in interest be eligible to be a member of the society and the managing committee duly elect him, they shall transfer his interest to him or on his application within one month of the death of the deceased to any person named or nominated by him who is qualified to be so elected. If such heir or successor-in-interest be unwilling to join as a member or if the managing committee should not elect him as a member, they shall pay him the capital actually contributed by the deceased, after deducting therefrom the equivalent of the seed or money, if any, due by the deceased to the society.

9. (*a*) The liability of a past member, to the extent laid down in by-law 5, for the debts due by the society, as they existed on the date when he ceased to be a member, shall continue for a period of two years from such date.

(*b*) The estate of a deceased member shall be liable, to the extent laid down in by-law 5, for a period of one year after his decease, for the common debt of the society as it existed at the time of his decease.

SHARES.

10. The capital of the society shall, for the present, be Rs. 2,000 made up of 200 shares of Rs. 10 each. Rs. 5 shall be paid on each share at the time when the share is taken, and the balance Rs. 5 shall be the member's reserve liability.

11. Every member shall take at least one share, but no member shall take more than ten shares. A member may at any time increase with the sanction of the managing committee, the number of shares held by him up to ten shares the maximum laid down in this by-law.

12. No member shall be permitted to transfer any share or shares held by him to a member or to a person approved by the managing committee.

13. Every member shall pay an entrance fee of one rupee when he becomes a member.

Borrowings by the Society.

14. It shall be competent to the managing committee to borrow money on behalf of the society, either from members or from persons other than members or from other societies and to settle the terms of such borrowings, provided, that the interest payable on borrowings shall not at any time exceed 7½ per cent. per annum. The aggregate indebtedness of the society to non-members shall not, at any time, exceed Rs. 2,000.

LOANS.

15. Applications for loans shall be disposed of by the managing committee. Loans shall be given only to members or other co-operative societies, but no applicant for a loan can claim it as a matter of right.

16. Loans may be granted at the discretion of the managing committee either on the sole responsibility of the borrower or on the joint and several responsibility of the borrower and one or two other members standing sureties for him. The terms of each loan shall be fixed by the managing committee or by the Secretary subject to rules on this behalf to be made by the managing committee.

17. Interest on loans granted by the managing committee shall not exceed 9 per cent. per annum.

18. When the period for repayment of a loan as fixed by the managing committee has expired, the loan account shall at once be closed and the managing committee shall inform the borrower in writing of the fact, as well as of the amount of the loan outstanding against him with the amount of interest up to date of closing the loan account. If the total amount so found due is not paid within one month after the closing of the loan account, steps shall be taken without delay to recover the dues by process of law.

MANAGEMENT.

19. The ultimate authority in all matters relating to the administration of the society shall be the general assembly which shall meet from time to time to conduct the work of the society. The following among other matters shall be dealt with by the general assembly.—

(1) The election of the managing committee.

(2) The annual report due to the Registrar of Co-operative Societies.

(3) The Registrar's annual audit order.

(4) The amendment or repeal of any existing by-law or the enactment of a new by-law.

(5) The expulsion of a member.

(6) The consideration of any complaint which any individual member may prefer against the managing committee.

20. The quorum for a general assembly shall be ten. Every member present shall have one and only one vote. All questions shall be decided by a majority of votes of the members present and voting, the president or other presiding member having a casting vote in case of an equality of votes.

21. No amendment to, alteration in, or cancellation of a by-law, or enactment of a new by-law shall be made without the previous sanction of the Registrar of Co-operative Societies. When

the by-law altered or amended relates to the nature and extent of the liability of members for the debts contracted by the society, the alteration or amendment shall not be valid until it is also approved of by Government.

22. Within fifteen days after the close of the Co-operative year ending 30th June, the managing committee shall prepare (1) a statement showing the receipts and disbursements during the past year and (2) a statement showing the assets and liabilities as they stood on the last day of such year. These two statements shall be submitted to the Registrar without delay. After the Registrar has verified these two statements and granted his audit certificate the managing committee shall publish the statements in a manner approved of by the Registrar.

23. Subject to such resolutions as the general assembly may, from time to time, pass, the executive management of the affairs of the society shall vest in a managing committee, consisting of not less than five and not more than 7 members, who shall elect from among themselves a President and a Secretary. It shall be the duty of the Secretary to maintain the accounts of the society and to carry out the resolutions of the managing committee.

No decision of the managing committee shall be valid unless it is passed by at least three of its members. Members of the managing committee shall be elected by the general assembly for a period of three years. Interim vacancies shall be filled up by the managing committee.

24. The managing committee shall work gratuitously, but any expenses actually incurred by them in doing the work of the society may be debited to the society's accounts.

RESERVE FUND.

25. Of the entire net profits of the society as declared by the Rogistrar of Co-operative Societies year after year, one-fourth shall be carried to the reserve fund and the balance shall be disposed of as resolved by the general body. The reserve fund shall be one and indivisible. It belongs to the society as a whole and no member can claim a specified share in it. In the event of the

dissolution of the society the reserve fund shall be devoted to some object of permanent utility in the area of operations in accordance with the wishes of the majority of members. Such object shall, if practicable, be one calculated to promote the improvement of agriculture.

MISCELLANEOUS.

26. If a member deceives the society in any way, or if his general conduct is such as to render his removal necessary in the interests of the society, it shall be open to the general assembly to expel such member. An expelled member shall be required to pay at once all seed or money due by him to the society. A member who drives the society to court to recover money or seed due from him shall for that reason alone be expelled from membership. The liability of an expelled member to the extent mentioned in by-law 5 for the common debt of the society as it stood at the time of his expulsion, shall continue for a period of two years after such expulsion.

All suits filed by the society shall be in the name of the secretary.

The managing committee may make subsidiary rules for the conduct of business of the society. Such rules shall be entered in the minute book of the society.

27. Receipts shall be given for all moneys paid to the society. For moneys paid by members, the receipt shall be signed by the President or the Secretary. For moneys borrowed either from non-members or other societies the receipt or bond shall be executed by at least 3 members of the managing committee, of whom the President or the Secretary shall be one.

28. *(a)* It shall be competent for the managing committee to make wholesale purchase of seeds, manure etc., for the purpose of being retailed to members.

(b) All the transactions of the society shall be on the ready money system.

INDIA.

Co-operative Credit Societies for 1911—12 (By Provinces.)

No. of Societies and Members.

Provinces.	Central.	Urban.		Rural.		Total.	
		Societies.	Members.	Societies.	Members.	Societies.	Members.
1	2	3		4		5	
Madras. ...	9	47	13527	916	51986	972	66,156
Bombay ...	9	75	6,561	284	19247	368	29,419
Bengal ...	7	61	9557	875	28,776	943	38,569
United Provinces ...	31	174	28,459	1741	68981	1946	99769
Punjab	26	26	2317	1717	89758	1769	93,169
Burma	3	37	2150	691	16821	731	26100
Bihar and Orissa ...	8	39	1725	491	25482	538	27621
Assam	1	16	1829	125	7855	142	9758
Central Provinces ...	25	20	1152	540	9516	585	12136
Coorg	...	...	...	22	2179	22	2179
Ajmir	1	...	...	160	4259	161	4442
Total. ...	120	495	67,097	7562	324860	8177	403318

CAPITAL.

Provinces.	Loans from private persons.	Loans from other societies.	Share capital.	Deposits by members.	State aid.	Reserve.	Grand total.
1	2	3	4	5	6	7	8
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Madras ...	2041308	3033192	751723	1601486	36030	48320	7512058
Bombay ...	88406	628975	687017	1452616	257439	86163	3200616
Bengal ...	62,8200	717036	363163	536977	196942	160660	2602978
United Provinces ...	2662850	2447399	716623	607299	73493	308647	6816239
Punjab ...	14,11328	1984591	1698714	1672373	73976	149774	6990756
Burma ...	13,08,774	1310443	517342	60941	228979	95161	3521640
Bihar and Orissa ...	4,09,548	169300	83404	148616	11254	64407	886529
Assam ...	146794	51846	68307	138992	50071	32407	488417
Central Provinces ...	92219	513875	283028	130325	2300	34484	1056231
Coorg ...	...	...	31411	28635	4179	12202	76427
Ajmir ...	50350	184877	57305	129510	...	229	422271
Total. ...	8839777	11041533	5258037	6507698	934663	992454	33574162

The Madras Bulletin of Co-operation

Vol. IV **MARCH 1913** **No. 3**

CO-OPERATION IN THE TANJORE DISTRICT

By T. K. HANUMANTA RAO, *Lecturer, Kumbakonam College.*

Till very recently the town of Kumbakonam which could claim to be in several respects the foremost in the Tanjore District has not given any evidence of a spirit of co-operation on the part of its leading men; but now, there seems to be a considerable amount of activity in the direction of starting co-operative institutions for various purposes.

I. Only a short time ago a co-operative agricultural society was formed under the auspices of the local Agricultural Association and registered under Act II of 1912. I have not been able to know much regarding that society's operations; I hope to be able however to send you if permitted an account of its working in time for your next issue of the *Bulletin*.

II. On the 8th of February last—the Tanjore District Co-operative Central Bank Ld., has been registered under India Act II of 1912 and has been authorised to commence work. Its registered office is at Kumbakonam and its operations may extend to any part of the Tanjore District. The capital of the Bank is one lakh of rupees divided into 1000 shares of Rs. 100 each.

A perusal of its bye-laws clearly shows that the model kept in view is the Madras Central Urban Bank; but, however, there are deviations from the model in many important respects. To mention a few of these differences, they are:—

(i) In the Madras Central Urban Bank, there is no provision for admitting the borrowing societies as members, whereas in the Tanjore District Co-operative Central Bank 500 out of the 1000

shares are ear-marked for co-operative societies whose membership is contemplated in the bye-laws.

(ii) The shares may be withdrawn or transferred in the Tanjore District Co-operative Central Bank whereas in the Madras Central Urban Bank they may only be transferred.

These two points certainly tend to make the Tanjore District Co-operative Central Bank less non-co-operative in character than its Madras model. The rate of interest on deposits which give the bank its life is limited to a maximum of 6 per cent per annum and that on borrowings from the Bank to a maximum of 7½%; but the eye of a co-operator to whom co-operation is almost synonymous with equity in business looks in vain to find a limit placed on he earnings of capital—I mean the shareholding capitalists who absorb a modest five-eighths of the total net profits. This circumstance, together with the fact that other central banks are allowing 9% dividend on share capital with extra percentages as bonuses to shareholders, has perhaps led many people to hasten to take up the shares which, I understand, have almost all been taken up; and many more applications are coming in for shares from all parts of the District. This rush for shares is not always to be construed as a blessing. As Mr. H. W. Wolff has very aptly pointed out: "What first catches the eye of people coming fresh to the subject (of agricultural credit) is the large sums of money raised to satisfy the credit demanded. They look upon the question as one of mere money. The money, they think, the large sums to be lent out must first be found or else there can be no credit. This is putting the cart before the horse, as various bodies attempting a solution of the problem by this means have found to their cost. * * * *

"The question is not one of money at all. Money is a standing commodity in the market and is always obtained at its own price *** Like water and fire money makes an admirable servant, but a most inconvenient master. * * * Agricultural Banks must have the power of commanding money but not the actual possession until the cash is wanted. In other words, the question is one of security; because security is the price for which money may always be bought. Provide your security and you will be able to raise what money you want. Miss the security and however promising a start you may

make, you will soon find yourself run aground. The object of the agricultural credit institutions is not to become large repositories of cash, nor yet great profit-making machines. Trading for profit lies or ought to lie outside their proper sphere. Their first duties are to avoid risk, and to abstain from enhancing the price of their own commodity; their object is to make the capital already in the market accessible to those to whom at present it is not so, and to make it accessible at as cheap a rate as possible."

The names of the promoters of this bank who figure as its first directors are a guarantee that no blunders of the kind indicated above will be committed.

What should be kept in mind in enlisting members is that we want not money but security, and also men to advance the cause of the bank. As Sir Frederick Nicholson puts it 'Find Raiffeisen'.

III. In page 8 of the Registrar's report for the year 1911-1912, para 31, he says: "The Tanjore Elementary Teachers' Society No. 835 was organised by me about the same time as a similar society (rural) at Tiruvadi asked for by the Elementary Teachers employed within Tanjore Municipal limits and was a first step towards relieving the small needs of poorly paid officials in local or Municipal employ. * * * I expect that several other teachers' societies will come into existence in the near future; they are especially valuable as tending to impress co-operative lessons on the rising generation."

IV. A co-operative distributive society on the same lines as the Triplicane Urban Co-operative Society Ltd. is under contemplation by some of the middle class residents of Kumbakonam and draft bye-laws are said to have been sent to the Registrar for approval.

RURAL CREDIT SOCIETIES AND AGRICULTURAL CO-OPERATION

By K. Ramaswami Aiyar,
Secretary, the Madura, Ramnad Central Co-operative Bank, Ltd.

In reviewing the report of the working of the Central Agricultural Committee and of the agricultural associations in this Presidency, the Government of Madras have suggested that the agricultural associations, if they are to be of any use, have to work in co-operation with village credit societies, whose members are mostly agriculturists. What are the practical means that have to be adopted in order that the rural societies may be induced to interest themselves in the adoption of new agricultural methods? In the valuable paper that has been contributed to the 1st Madras Provincial Co-operative Conference, headed "Co-operation and agricultural improvement," Dewan Bahadur M. Adinarayaniah has dealt with the subject exhaustively. With respect to the subject under consideration he says: "I am not sure that credit societies in their corporate capacity can be asked to undertake any agricultural work themselves. They are still in a state of tutelage, and agricultural work with whatever amount of care it may be conducted, is so much open to risk, that it would be unwise to burden the finances of the credit societies with speculative venture." With this opinion of his, I entirely concur. I do admit that in the present stage of their growth, it would be extremely undesirable that the societies should be permitted to embark on any speculative enterprise. But, as he says, the credit societies can certainly be utilised as agencies "for the dissemination of a knowledge of agricultural improvements" special agricultural associations may be started in which the members of the rural societies may be permitted to take shares. But these kinds of associations cannot be started with such great rapidity, as were done with merely credit societies. For, it is not so easy to work up an agricultural association, as it is to work a credit society. The former requires the services of men of trained intelligence, and of much business knowledge. Such kind of people are rarely to be had in rural parts; hence our progress must necessarily be slow. As elementary education among the masses advances, it may be possible to get such men even in villages. Till then we should adopt other means of developing agricultural co-operation. Mr. R. Ramachandra Rao, whose services in the cause of co-operation have been extremely valuable, felt this need. So early as in 1908, when he organised a credit society in one of the outlying villages of Madura, representations were made to him that the members stood not only in need of cheap credit but they met with greater difficulties in the matter of obtaining the manure for their fields. It was due to the genius of Mr. Ramachandra Rao, that the bye-law with respect to the joint loan transaction was enacted, which enabled such of the members as desired to co-operate, to jointly borrow money from the society and purchase wholesale manure, seeds and agricultural implements. I am of opinion that such a bye-law can safely be introduced into any village co-operative credit society. It contains the germ of agricultural co-operation and at the same time does not involve any speculative undertaking. It worked successfully in one year and the society earned a profit of Rs. 600. This year again the society has sanctioned such kinds of loans, but on a larger scale. I shall describe briefly the operation of this bye-law, illustrating it by the mode by which the society intends to work it up this year. The bye-laws with respect to the joint loan transactions are these:—

17. On an application in writing (in the form to be prescribed from time to time) of five or more members, the managing committee may start and conduct joint loan transactions among the members who so apply, subject to such rules as may, from time to time, be framed by the managing committee with a view to supply manure, seed, and other agricultural requisites provided that——

(1) the number of members of joint loan transactions be not less than five or above twenty ;

(2) the period during which the joint loan runs be not more than fifteen months ;

(3) the total amount of any joint loan be not more than Rs. 1000 or in the case of manure Rs. 5000, but shall not exceed Rs. 50/- per share of the members who apply;

(4) each joint borrower shall be required to state in the application the quantity of manure, seed or other requisite he requires

and the maximum price he is prepared to pay and shall further bind himself to pay all incidental expenses at a rate to be finally settled by a Sub-Committee as constituted below;

(5) the members applying for the starting of the joint loan transaction be jointly and severally responsible for any loss arising by any of the members of the joint loan transaction failing to fulfil their engagement and the society as a whole shall not be held responsible for such loss;

(6) the joint borrowers consent in writing to the managing committee being given full discretion in the matter of obtaining suitable security from the members who subscribe to the joint loan;

(7) the general provisions regarding loans set out hereafter shall apply as far as possible to the money due from each of the members subscribing to the joint loan, interest running from the month in which the society has to borrow to meet the joint application;

(8) the operations of purchase and distribution shall be conducted by a sub-committee consisting of a member of the managing committee to be elected by the members thereof and one of the members subscribing to the joint loan to be elected by the subscribers;

(9) in the case of difference of opinion between the members of the sub-committee, the decision of the managing committee shall be final;

(10) it will be open to the sub-committee after obtaining the sanction of the managing committee to supplement the joint loan sanctioned by the managing committee with contributions from the subscribing members but the society will have a prior lien on the commodity purchased to the extent of the joint loan and incidental expenses.

(18.) A commission of a quarter anna shall be charged on the joint borrowers for every rupee of gross loan issued under bye-law 17 and shall be credited towards the general funds of the society.

(19.) In granting loans under bye-law 15 perference shall be given to members who apply under bye-law 17 for a joint loan.

This bye-law is safe enough; according to clause (5) the joint borrowers alone are responsible for any loss that may arise and the society as a whole is not responsible. Any five or more members may form into a small society within this society and conduct joint loan transactions. It may be either for the collective purchase of manure, seeds and other agricultural requisites or it may include a collective ownership of machinery. The bye-law gives the managing committee a right of supervision in all matters relating to the joint loan transaction and further provides that in case of disputes, the decision of the said committee shall be final. The interests of all parties are sufficiently safe-guarded; there can, therefore, be no objection to adopt this bye-law by any rural society. If any special agricultural societies be started in this Presidency, it will be extremely convenient for any five or more members of a particular society to group together, apply for a joint loan and get their agricultural requisites from such central agricultural association.

Some members of the Ottakkadai Rural Credit Society No. 81, have this year jointly purchased a rubbish depôt from the Madura Municipality for Rs. 7,820. Only a fourth of this amount is to be paid now and the balance may be paid in monthly instalments. These members have applied for a joint loan of Rs. 2000, to enable them to pay up the 1st instalment and to incur petty contingent charges. The depôt is to be managed by a committee consisting of 2 members, one of whom is to be chosen by the managing committee and the other by the joint borrowers. This committee is to be assisted by 3 other members chosen by the joint borrowers. This will form a sub-committee, who are to manage the depôt. The manure at the depôt will be sold to members of the society only according to priority of their applications and if there is a surplus, then to outsiders. All sales are to be on ready cash system. No credit sales will be allowed. The sub-committee is to prepare a statement of receipts and expenditure, at the end of each month and submit the same to the managing committee. The accounts of the joint loan transaction are to be audited by an auditor who will be chosen by the managing committee. After the expiry of one year, accounts will be closed and a report will be submitted to the managing committee by the depôt committee. Out of the net profits ascertained at the end of the

year, one fourth is to be carried to the building fund, another fourth will be paid as remuneration to the members of the sub-committee in the proportion of their varying degrees of responsibility in the management of the depôt, and the balance will be distributed as bonus to the members, in proportion to the purchases made by them.

Similar undertakings are in contemplation with respect to joint purchase and storing of oil cakes and agricultural implements.

With respect to the collective ownership of agricultural machinery, the society proposes to enact the following bye-laws:—

Loan is to be advanced to joint borrowers for the purchase of a sugarcane crushing mill. The mill is to be the common property of the joint borrowers so long as any portion of the loan is outstanding, subject to the prior lien of the society. It will be let out to the members for hire at a certain rate per diem; the charges will be so fixed as to enable the joint borrowers to clear up the loan and interest within 5 years, at the end of which the machinery is to become the common property of the society. Any surplus income after paying up the loan and expenses will be divided among the joint borrowers in proportion to the hire-money paid by them.

The members further propose to take a joint lease of some favourable locality where underground springs at short depths may be had for the purpose of raising seedlings, in order that they may transplant them as soon as Periyar water is let in and thus reap their harvest before the commencement of the rainy season.

RE-LOANS

By T. Adinarayana Chettiar, *Secretary, District Central Bank, Salem.*

The pages of the "Bulletin" are ever so full of glowing contributions on the benefits of co-operation and replete with new schemes of agricultural or industrial co-operation that the present conductors of the journal naturally believe that an occasional reference in its pages to some co-operative defects (an apparent contradiction in terms) may not be unwelcome to its readers.

Of the evils that have crept into the practice of co-operation that of "re-loans" is undoubtedly the worst. This is an evil that creeps into a society at a somewhat later stage of its working. That is why, when I moved a proposition at the last Provincial Co-operative Conference on the evil of re-loans, two gentlemen from Tanjore, a district where until the other day they had but 25 societies—stood up and congratulated themselves on the fact that, their district was free from it.

As I prefaced my remarks at the Conference, it takes some time even for our intelligent rural co-operators to find out the weak points of their societies' bye-laws and to take advantage of them. The "older" districts have all got this defect and unless it is put down with a vigorous hand it would sap the vitality of the movement.

In the first place re-loans are great preventers of the practice of thrift. In this country the ususl period allowed for extinguishing a loan is five years. This is no doubt too short a period where the loan amount is large and the amount has been applied to the land. In Germany and other western countries the currency of such loans is much longer. The Registrar and the Government may be approached with a request that the maximum currency of such genuinely agricultural loans may be spread over a longer period than at present. But in some of the societies which have been working for over five years I understand that re-loans on the mortgage of the same property is allowed *but for proportionately smaller amounts* so that the time *actually* allowed to the borrower for extinguishing a loan is

really more than five years allowed by the bye-laws. Personally I would, until the bye-laws and the Act can be amended, connive at such a subterfuge provided the management is thoroughly satisfied that the loan amount has not been misapplied and that the borrowing member has reduced the loan amount by a genuine practice of thrift. But there is the other wholesale re-loaning practised by several societies which merits nothing short of the strongest condemnation. A member, for instance, takes a loan of say, Rs. 100. At the end of the first year, he pays back Rs. 20 by borrowing from the same society in the name of his wife or other member of his undivided family, sometimes on the very day of the "sham" repayment or a few days later or earlier, and gets an extension of another year's time and this goes on with the result that at the end of the fifth year allowed by the bye-laws the man still owes to the society the original sum he borrowed but with the added evil, *viz*, that, whereas the first loan was a genuine transaction, he has now involved himself in a number of fictitious transactions rendered possible by an obliging secretary or president. If such should be the result of five years' practice of co-operation then we may as well wish that these societies had not been started at all. That the evil I have depicted above is not a fancy picture will be borne out by every experienced officer of the department. A recent instance which came under my notice–thanks to the efforts of a vigilant officer–is worth mentioning. A certain president who is a very eloquent speaker at all co-operators' gatherings, who had borrowed a certain amount when his society was started, still owes that very sum to the society after four years' practice of thrift, co-operation, self-help and what not! Another member of the panchayat of this very society has, by an ingenious permutation and combination of the names of the different members of his family, contrived to borrow Rs. 4000 from the society whose total transactions go up to Rs. 15000!

Thus we see that re-loaning not only gives a premium to the non-practice of thrift, the very object with which co-operative societies are started, but what is worse makes the people hopelessly untruthful and even dishonest. Moreover, the society's money is not "fluid" as it ought to be in a good credit society and the people who ought to derive benefit do not derive it owing to the societies' moneys being locked up in the hands of a few members.

These, in brief, are some of the more prominent among the evils of re-loans. It would now be worth our while to discuss the remedies. It is an admitted fact that under the present conditions and chiefly owing to the ignorance of the ryots, we are obliged to entrust the actual working of our rural societies to a few literate middle or upper middle class people in the village as the ryots proper lack the knowledge and training necessary to run a society. Now, as the interests of these two classes of people are different, nay often diametrically divergent, several evils are the natural outcome of this state of affairs. The most common one is that the few scheming men are able to take all the benefits for themselves and withholding them from the dumb creatures for whose benefit such societies are intended. Of course it will take a considerable time for our ryots to get sufficiently educated to get along without the help of these "middlemen," if I may be permitted to use such an expression. The only feasible remedy that suggests itself to me is to raise the rate of interest on loans sufficiently high so that it will not be worth the while of these middlemen to grasp at all the available cash. It is the belief of many that from the outset we made money too cheap. 12 % per annum is considered cheap enough even in urban areas and it is common knowledge that the average ryot pays something like 30% on the 'sowcar' loans. Something like 15% per annum may not therefore be too high for at least some of our smaller village societies. But I am afraid I have allowed myself to wander away from the actual question of re-loans. Pending the introduction of the Liability Register mentioned by the Registrar in his last report, the one roughly sketched below may be maintained in all societies and I think it would help the inspecting officer to pick out at a glance all cases of re-loans. I may add that registers on somewhat similar lines have been already introduced in several of the Salem District Societies.

Liability Register of .....Society

1. Serial No. of Member ... ...
2. Name of Member ... ...
3. No. of shares held ... ...
4. Property qualification (Here enter all items of debts on these properties also) to be revised annually.

5. Names and general numbers of other members of the society who are also members of the 'undivided' family of the (present) member.
   (a) ... ...
   (b) ... ...
   (c) ... ...
6. Maximum amount of loan to which member is eligible.
7. Maximum sum up to which the member can stand surety to others

	Loans.					Repayments.	
Serial No.	Date.	Security.	Purpose.	Amount. Rs.	A.	P.	Date.	Remarks.
1	2	3	4	5			6	7

Suretyship Statement.

Date.	Loan No.	Surety for.	Date of Repayment.	Remarks.
1	2	3	4	5

This is only a very rough idea and can be amplified and improved considerably. The Registrar need not recommend loans to any society which does not satisfactorily maintain such a register.

But the remedies suggested above can at best be considered merely as mechanical checks. Real and effective prevention will only be possible when co-operative societies will insist on working on strictly co-operative lines. The actual purpose of each loan must be stated in the application and the panchayats must be able to certify to the correct application of the loans sanctioned by themselves. The panchayat must graduate the period of each loan

according to the purpose for which it is disbursed. The managing bodies of a group of neighbouring societies can meet and come to a working understanding among themselves as to the time that should be allowed for the various classes of loans. In the matter of extensions the panchayat must proceed on the assumption that extensions are not normal things but on the other hand of the nature of an evil to be tolerated only when absolutely necessary. For, theoretically there can be no such thing as an extension in an ideal co-operative society, as each loan is distinct and for a distinct purpose. For example, loans for the payment of *kist* should never be "extended" unless famine prevails in the locality. For the purchase of cattle the panchayat may resolve to allow three years and so on. The intimate local knowledge possessed by the panchayat members will enable them to arrive at some such arrangement; departures from which should not be allowed except in exceptional circumstances, when the reasons must be recorded in writing.

The next question that naturally arises is this. Who is to see that the work is carried out strictly on the lines thus laid? Can the Registrar or the District Bank be expected to do it? In the first place the District Bank or for the matter of that no outside agency can command the facilities for doing it nor would it be desirable in the interests of the growth of the sense of self-respect in our co-operative societies. The only agency that can do this work satisfactorily and without causing the least irritation to any one is the union supervisor thoroughly trained in co-operative principles with his intimate knowledge of men and things. The union supervisor must be carefully chosen and properly paid. No matter even if thereby "union" management is rendered somewhat costly to the individual societies as it is bound to be at the beginning. Individual societies who are members of "unions" should be asked to furnish Verification Certificates of the correct application of all loan amounts as also detailed reasons under which each extension was sanctioned.

These are the really efficient checks for the spread of this evil and those who are responsible for the good name and the progress of the movement in this country cannot do better than thoroughly overhaul the existing societies, increase the number of societies only where really necessary and group them under manageable "unions."

A PLEA FOR A CO-OPERATIVE ORGANISATION SOCIETY

By M. Shiva Rao, *Puttur, South Canara.*

Of all the movements calculated to do good to the country, the co-operative movement undoubtedly stands foremost. It contains in it potentialities of a wide and far-reaching character. It is unquestionably the foundation upon which could be reared up all other movements designed for the uplifting and elevation of our motherland. In fact, I cannot imagine anything which cannot be successfully and even easily achieved without co-operation. A thorough grounding into the principles of co-operation is an essential condition to the success and permanence of all public movements. We cannot therefore be sufficiently thankful to our benign Government for not only introducing the movement but pushing it forward by the agency of a special department created for the purpose. Elsewhere the movement originated from the people themselves and it is they who labour hard to advance the cause. In India, in this as in many other causes, the initiation has come from Government itself. The propagation of co-operative ideas among the teeming millions of India is a huge and stupendous task quite beyond the power of any Government. The department is hardly able to cope with the heavy and multifarious work entailed upon it by the societies already in existence. Periodical audit of the accounts of societies is absolutely necessary to create and keep up the confidence of the people in the societies. The department cannot however do this as frequently as is desirable. In addition to audit, supervision and advice are of equal if not greater importance. The department cannot, as experience has shown, do either adequately and with an ever-increasing number of societies, the problem is becoming more and more acute. Most, if not all of the evils, pointed out by the Registrar in the last Administration Report, could have been avoided or at any rate easily remedied by frequent and timely guidance and help. At the top of all these, is the great need for an organised effort to propagate the movement. Honorary organisers there are a few at present but their efforts are more or less sporadic and, not being on an organised and regular basis, the results achieved are not satisfactory. "Co-operation" as our esteemed Registrar said the other day at the Teachers' College, Saidapet, "if it was to flourish in any country should be a concern of the people and consequently the Government of India had been very careful to restrict their interference with co-operative credit societies to what might be called the irreducible minimum. If the movement is to grow into a healthy public institution, it is necessary that India also should follow the example of Europe and maintain co-operative societies mainly through the endeavours of the people." What we want therefore is a band of missionaries who will preach the gospel of co-operation and propagate it among the people so that it may reach every household. Here is a vast field of work for really earnest and true patriots. An organisation for the purpose, as I have pointed out, is most essential and it is therefore none too early that the first step towards this end was taken at the last Provincial Co-operative Conference at Madras, thanks to the efforts of that veteran co-operator, Mr. K. Ramaswami Aiyar of Madura, whose able and interesting paper on the subject submitted to the conference is well worth a perusal. It is very gratifying to find that the suggestion made therein has taken a definite shape and an application from several representative men from all parts of the Presidency is now before the Registrar for registering a society to be called the Madras Provincial Co-operative Union. Propagandism is one of its main objects and in course of time it will be able to supplement the efforts of the department in audit, inspection and supervision wherever it is not possible to start unions to discharge these functions. I need hardly mention that the irreducible minimum referred to by the Registrar has to be maintained side by side with this non-official agency, because it will be easily seen that the withdrawal of Government aid and control will not only arouse the suspicion of the people but it will deprive the movement of that influence and force which have been one of the causes for its rapid expansion.

MADURA-RAMNAD DISTRICT CO-OPERATIVE CONFERENCE

FIRST SITTINGS AT MADURA

The First Madura Ramnad District Co-operative Conference commenced its sitting on Saturday, 22 March at 12 Noon at the Madura College Hall when no less than 200 delegates from various contres and a large number of local gentlemen interested in the co-operative movement were present. Among those present were the Hon'ble Mr. L. D. Swamikannu Pillai, the Hon'ble Mr. K. Rama Aiyangar, Dewan Bahadur V. Ramabadra Naidu Garu, Mr. K. Vijaya Ragavachariar, Mr. A. Vedachalam Iyer, Zemindar Palayampatti, Mr. C. Sampson and Mr. Robert Foulkes. The Conference Hall and premises were decorated befitting to the occasion. Rao Bahadur G. Srinivasa Rao, Chairman of the Reception committee received the Hon'ble Mr. P. S. Sivaswami Aiyar, President-elect at the entrance and conducted him to the hall. Mr. Srinivasa Rao welcomed the delegates in Tamil.

The Hon'ble Dewan Bahadur V. Ramabadra Naidu Garu, Zemindar of Doddappa Naickanoor, proposed the Hon'ble Mr. P.S. Sivaswami Aiyar to the chair and it was seconded by Mr. K. P. Velayuda Menon and supported by Mr. J. A. Vedanayaga Thevar.

Presidential Address

The Hon'ble Mr. Sivaswami Aiyar said:—

Mr. Srinivasa Rao and Gentlemen:—The progress of the co-operative movement has been watched with great interest both by the Government and by the people in this country, and I consider it a privilege to be able to be present here to-day in token of the interest which both as a Member of Government and as a citizen I take in the progress of this great movement. The movement was started only about nine years ago. The success which it has already achieved has been such as to convince all impartial observers that it has taken root in this country, and that there is every promise of vigorous growth in the future. Wonderful has been the growth of the co-operative movement in this Presidency; the districts of Madura and Ramnad need not in any way fear comparison with the other districts in regard to its progress in these parts. I find that about 109 Societies have been started in the districts of Madura and Ramnad together and that out of these societies a great many have been formed in tracts which might at first sight have appeared to be unpromising and out of material which might have struck an outsider as intractable. It cannot but be gratifying to all observers that so much has been achieved with such unpromising material. To the inhabitants of these districts belongs the credit of having started a District Co-operative Bank, a Bank which unlike other Central Banks has attempted to combine the two features of financing and controlling the societies which form the integral parts of it. You are probably aware that this combination of features has already received the benediction of the Government in the review which was published recently upon the report of the Registrar of the Co-operative Societies. We have expressed the hope that this Co-operative Bank may serve as a model for similar Co-operative .Banks in other districts to finance and control other Co-operative institutions which may be represented in the Central Banks.

Another feature which I notice as peculiar to the Co-operative mevement here, is a feature which has been developed in a Society formed at Othakadai where the system of joint-loan transaction has been initiated. The object of this joint-loan transaction is, I understand, to enable groups within the society to be formed for the purpose of raising more credit. As a rule our Co-operative Societies have been formed for the purpose of obtaining credit, and the combination of Co-operative production and other forms of co-operation among the members of these Co-operative Societies has not always been praticable hitherto. But it has been found to be quite practicable for a smaller number of members to combine together for the purpose of Co-operative production or Co-operative supply or other similar purpose and it is to encourage combinations of this sort and as a first step towards Co-operative production on a larger scale I understand that this system of joint-loan transaction has been started; and so far as I can see this is a feature which is peculiar to the Society at Othakadai which has been formed in this district. I am not aware that any other district has so far developed this feature of co-operation.

Now, having already accomplished so much, it remains to consider what should be the next step to be taken. In the natural course of evolution, Co-operative Credit has been the first form of co-operation to be undertaken. I remember reading a passage in Mr. Wolff's book, where it is said, that if, Sir Horace Plunkett had to begin co-operation in Ireland he would begin with the starting of Co-operative Credit Societies and it is only consistent with the fitness of things that Co-operative Credit should take precedence of other forms of co-operative movement. The first object of the Co-operative Societies must be to redeem the ryots from their heavy indebtedness to the usurers of the village or the town. Once that task has been fairly accomplished, it is necessary to consider what further step should be taken towards the extension of co-operation in other directions. Co-operation in the matter of agriculture must undoubtedly be the next and I find on going through the programme of work to be placed before this conference that a prominent place is given to the extension of co-operation in the field of agriculture, and I cannot conceive of any more useful form of co-operation on one more likely to be attended with permanent benefit to the people. Co-operation in agriculture has been found necessary even in European countries. On the continent of Europe the number of Co-operative Agricultural Societies is counted by thousands. In Ireland there are an immense number of such societies. There is an awakening on the part of England to the needs of co-operation in the domain of agriculture. If it has been found necessary even in the countries of the West where holdings are fairly large in size and where the farmer comparatively commands more capital, how much more necessary is it in our country, where the system that obtains is the ryotwari one with its innumerable small holdings and peasant proprietors? The extent of our individual ryotwari holdings will, I imagine, be found to be very much less than the extent of peasant holdings in the countries of Europe, and with such small holdings, there is no surer remedy than co-operation; and the only way by which our ryots can improve their economic position and attain prosperity is by learning the use of combination among themselves. It must have an erroneous effect morally as well as economically. The moral and intellectual effect of co-operation has been abundantly made manifest even in

the sphere of co-operative credit. But it is bound to be much greater in the field of co-operative agriculture or co-operative production. It is found to quicken the intelligence of the ryots to enable them to find out the conditions of the market where he has to obtain his necessaries or dispose of his suppiy. It must enable him to find out the difference in the quality of things which he has obtained for carrying on his operations. It must stimulate him to produce a better quality of articles that he has hitherto produced, and it must in various other ways have a profound influence upon his character. Instead of looking upon his neighbours in the village with any feelings of jealousy or hatred, he will learn to look upon them as friends and partners. I have no doubt that the progress of co-operation will tend to put down the spirit of faction and quarrel and of all kinds of feuds in the village. I feel sure that if co-operation be applied in a larger sphere and for a variety of purposes, the ryot will become a much more refined and useful being than he is. He will cease to find pleasure in litigation, and will be able to devote all his time and all his energies in the improvement of his lands and to the promotion of the material prosperity of the country.

There is a very large scope for co-operation in the field of agriculture. To speak of one very profitable application of co-operation, an application which has already been carried out, I understand in this district, the ryot may be able to purchase manure for his lands at much cheaper rates; he may be able to purchase seed and cattle; he may be able to dispose of his produce at a time when the prices are high instead of being obliged to dispose of them when the prices are low for the purpose of meeting the revenue demand of the Government. The ryot may obtain an advance from the village agricultural association upon his grain for the purpose of meeting various pressing demands and await the rise of prices for the disposal of his produce. Then again, he may take advantage of co-operation for other purposes than mere agriculture. If a number of ryots can combine together and purchase sugar mills they may make sugar or jaggery, reduce the profits of the middlemen who intervene between the ryot and the consumer, and transfer the difference to their own pockets. Again, take the case of dry lands in this district. I believe what the dry

parts of Madura suffer from is want of water. It is not that the soil is by itself poor, but it is the lack of water facilities that prevent many a part of these districts from being properly irrigated or cultivated. If the ryots were to combine together for the purpose of buying oil engines and irrigating their lands by means of water drawn from wells by oil engines there is no practical limit to the extension of cultivation and to the growth of more valuable products. Then again, take the case of a ryot who owns a plantation of cocoanut trees. At present he simply sells the cocoanuts. But if he can add coir making as a cottage industry, he can make a sensible addition to his earnings. A number of by-industries may be added to the occupation of the ryots and he may earn a much larger amount of money than he has hitherto been able to earn by this customary occupation. As to the exact form which the societies for these various purposes should take, whether they should be started with unlimited liability or with limited liability and share capital, all those are matters into which I do not desire to enter. They are matters which I have no doubt you will be able to solve with the help and the advice of the Registrar and of those gentlemen who have taken an interest in this movement and have studied the question closely. But at the same time, I tell you that these are the various directions in which co-operation may profitably be extended and it is not a day too soon that the organisers of this conference have thought of starting Co-operative Societies for the purpose of encouraging agriculture.

Next to the subject of agricultural co-operation in importance is another subject in which I take a very great interest, that is, co-operation for the purpose of forming housing associations. Those of you who have come from this city are aware of the pressure on the accommodation available and the need for the extension of the town. It is hardly necessary to dwell upon the importance of this form of co-operation. It is possible for a few well-circumstanced individuals to build houses, model houses it may be, in desirable localities; but for a large number of the poor class people some form of financial assistance is necessary before the problem of housing is satisfactorily solved; and I think that one of the most important objects to which co-operation could be

applied would be the provision of better houses which would bring fresh light, air and comfort into the dwellings of the poor. The problem of housing in towns especially is beset with enormous difficulties. It is impracticable for Municipal bodies to undertake the solution of this question except it may be in the way of affording facilities for the acquisition of sites, for the laying out of sites and for certain other purposes of which it would be possible for them to provide out of the limited funds at their disposal. All further help for the purpose of attaining the object must necessarily come from the people themselves. It is only by co-operation that the amount of pecuniary help that is required can be obtained. It is very wise therefore that you have put this forward as one of the subjects which should engage the attention of this conference. We have yet to learn the rudiments of sanitary house-building and town-planning. Houses are generally allowed to be built in the most irregular and haphazard fashion without any regard for sanitary requirements or future extensions. I may at the same time tell you that I do not include Madura in the list of ill-planned cities. It has often struck me as the one ancient city in India, which has been laid out properly. Take a map of Madura and you will find that the streets are laid out from the temple in concentric squares and that the streets are as regular and straight as possible. Extensions have come into existence, as, for instance, at Bangalore, but they are the creation of only yesterday. There is no city which can claim to be as old as Madura and at the same time as beautifully laid out. But the fact that Madura is a well laid out city does not relieve us from the necessity of considering the lines of extension for the growing population of Madura. The congestion in this city is well known and has made itself marked in the phenomenal rise of rents. Large numbers of people must necessarily move out from the town. But in planning any extension of the city you will have to carefully bear in mind the future as well as the present needs and so lay out your town that it shall always continue to be sanitary, nice and beautiful. Town planning has become a science and has attracted much attention in recent years. There have been exhibitions held for demonstrating the methods of town planning and one of the most recent was the exhibition held in Edinburgh to demonstrate the methods of

town-planning. You will be interested to hear that our present Governor takes a very keen interest in the subject. The question of housing on proper lines is one with regard to which you will stand in need of expert advice. You will have to consider the problem very carefully and in trying to work it out by means of these Co-operative Associations as suggested in the programme here, I can assure you that you are proceeding on the right track and that any help which may be required in the way of advice will be readily forthcoming.

Then again another matter to which Co-operative Societies may turn their attention is the subject of village sanitation. Quite recently I think there was an order passed by the Government recommending this subject of village sanitation to the attention of the Co-operative Societies especially in rural parts. I know no addition to the functions of these Co-operative Societies which would have a more useful and healthy effect upon the surroundings of villagers than the care of village sanitation. Ordinarily, our villagers have no conception of what a well-ordered and neat home is and it would require a process of education to make them realise their advantages of good homes and surroundings, and I think that Co-operative Societies may well take up this question of sanitation as a part of their work. All this addition to the functions of Co-operative Societies means education, and the education of the individuals who compare the societies must be undertaken by the Central Bank or the Central Agricultural Association which may well take up this question of the education of the people in the rural parts as part of their working programme. They may undertake to educate the members of their constituent societies in different villages not merely in the management of Co-operative Societies, in the keeping of accounts, in the auditing of accounts, or in the exercise of scrutiny over transactions, but also in the management of various other forms of business that may be undertaken, in the management of village sanitation and in all the other directions in which it is intended to develop co-operation.

You ask in one of your draft Resolutions to increase the number of appointments of agricultural inspectors. You also require a number of itinerary inspectors to go about in various villages and

instruct people in various things which concern them as members in the co-operative movement. One thing, however, I may bring to your notice, and that is this. However useful it may be to have co-operation taught by the ordinary village schools, it cannot be so successfully taught as by persons actually engaged in the work of co-operation. It has been pointed out by Mr. Wolff that the best teachers of co-operation are those who were actully engaged in co-operation and I should very much like to see co-operators, going about the country to preach the gospel of co-operation demonstrating its benefits in practical shape. I have read that in some parts of England and Wales there are demonstration trains run by some of these co-operators. They carry eggs produced by the co-operative system stopping at the way side stations to demonstrate the practical benefits of co-operation. You want missionaries in the cause of co-operation imbued with the same zeal and fervour as the missionaries in the case of religion. One result of the spread of this co-operative movement will be the revival of the corporate life of our villages, the extinction of which we all deplore. The village community was at one time a corporate body, but the days have gone by when it was a reality. But it is not one of those things of the past which we are willing to have buried and forgotten. Most of us are anxious to see the village community revived and brought into the free vigour of life. The Government are as much interested as the people in this revival. During the progress of the enquiry by the Forest Committee, we heard several suggestions to the effect that the village forests should be handed over to the village panchayats. But the spirit of corporate life has in many villages to be recreated. If the village community is ever to become a reality, I have no doubt it will be through the instrumentality of Co-operative Associations which are now springing up in different parts of the country.

Gentlemen, in spreading this Co-operative movement and in inducing our people to take up co-operation in various directions, you will no doubt find many occasions when we may feel depressed by the little headway that you are able to make and by the ignorance you have to overcome. I do not think that these should

make you pause on your path or induce you to turn back. I found a description of the peple of Ireland in Plunkett's book. He says that at the time when the Co-operative movement was begun, the chief characteristics of the people were lack of initiative, independence, self-reliance and moral courage. I think that it applies pretty well to numbers of our own countrymen. Notwithstanding the above fact, the movement has succeeded wonderfully in that country, and it is merely due to the perseverence of the people and the wisdom of the leaders who guided the movement. One of our Co-operative enthusiasts complained to me that the chief difficulty was the want of Co-operative spirit and character. All these must necessarily be reckoned with by persons who will go forth as organisers of co-operation and will be successfully grappled with. You will be interested to learn that Plunkett had to address 50 meetings before he could organize a society and yet he was not discouraged. I have no doubt that those who are engaged in organising co-operation here will take heart from the example of Ireland and will draw inspiring lessons from the records of achievements of co-operators in other countries.

I find that the programme which has been tentatively placed before you is a very varied and ambitious programme. It is one of the most thorough going programmes that I have seen drawn up at any Co-operative Conference; but let it not provoke any smile of scepticism, and as has already been remarked the impossibility of to-day is the work of to-morrow. Going over the list of draft resolutions, is there a single object commended to you which does not deserve your hearty support? I hope you will not be appalled at the vista of the work which this programme holds out to you. I hope that as a result of the discussion during this conference, you will be able to contribute each of you as it may lie in your power to spread co-operation as pointed out in the draft Resolutions.

There is one class of community among which, I am sorry to hear, that co-operation has not taken root. I refer to the weaver community. I should have thought that co-operation would have appealed to it and that they would have started some weavers' union, which would have enabled them to combine for the purpose of production and to put down sweating by capitalist employers.

I do not bring any charge against the capitalists of Madura in particular. I do not know whether they do sweat or not. But if they are of the same type of human being as the capitalists in other parts, they are not likely to be free from the temptations of the class. The weavers should try to combine together and avail themselves of co-operation for the purpose of producing cloths which they can sell on advantageous terms to the dealers instead of disposing of them at the dictations of the dealers. I hope that this appeal of mine will not fall on deaf ears. I hope that the co-operative movement will be taken to as earnestly and enthusiastically by that community as by other communities. Gentlemen, I wish you every success in your deliberation in this Conference.

The Report.

Mr. K. Ramaswami Aiyar, Secretary, read the report on the progress of Co-operative Societies in the Districts of Madura and Ramnad which showed there was rapid progress during the last two years. There were at present 112 societies in the two Districts distributed as follows:—Madura Central, I, Urban 4, Rural 47; Ramnad Urban 1, Rural 59. The distribution of societies according to Taluqs shows that the progress has not been uniform in them. Sattur and Tirumangalam have shown remarkable progress having more than 30 societies in each. Melur and Kodaikanal in Madura District have not got even a single society.

The Madura-Ramnad Central Co-operative Bank Ltd., was registered as a Central Bank on the 28th June, 1912 and began work about the and of July. It is a combined District Bank and Union. All the other registered societies in these two districts are allowed to take shares in this Bank. Till now 83 societies have taken 156 shares in this Bank and 27 societies have not yet taken shares in this Bank. The object of this Bank is not only to finance its share holding societies but to control the working of such societies by having an inspecting agency of its own as soon as its funds may permit. This Bank had advanced loans to the value of Rs. 2,69,450, up to 28th February, 1913. Before this Bank was started, the societies derived their working capital chiefly by borrowing from the Madras Central Urban Bank and the Hindu Permanent Fund, Madura. Of the 112 societies, all excepting the Madura Stores are merely Credit Societies. The Madura Stores is a combined distribution and Credit Society and the only distributive society in the Southern districts. There are no agricultural or productive societies at present. With the rapid spread of the movement and through the influence of the District Bank it is possible other forms of co-operation may be introduced with advantage in these

districts. The total share capital contributed by the members of all these societies amounts to Rs. 39,944/- up to 1st July 1912. The deposits put in by members amount to Rs. 37,159/- which together with share capital come up to Rs. 77,103 out of the total working capital of Rs. 505, 533/- or very nearly 15 p.c. The amount advanced as loans to members during the year 1911-12 comes up to Rs. 3,94,028/- and the total amount carried to the Reserve Fund up to 30-6-12 comes up to Rs. 16,409. The societies have carried a net profit of Rs. 8,888-10-9 during the year.

Papers Read.

The papers contributed to the Conference were then read. They were on "Cotton Cultivation" by Mr. H. C. Sampson, "Seed selection," by Rev. W. M. Zumbro, "Co-operative Banks" by Mr. Venkatanatha Aiyangar of Utteramerur, "The pitfalls of the movement" by Mr. T. R. Srinivasa Aiyangar, of Tanjore. The Rev. J. S. Chandler made a short speech in Tamil on the advantages of co-operation among the villagers.

Resolutions Passed.

The following Resolutions were then passed:—

No. 1. That this Conference is of opinion that the need for advice and assistance in the matter of developing agricultural co-operation is generally felt in the districts of Madura and Ramnad and recommends that a District Co-operative Agricultural Association of which the objects shall be the following be started with its head quarters at Madura (1) to establish Agricultural Co-operative Societies throughout the districts of Madura and Ramnad (2) to purchase for the use of members and shareholding societies all agricultural requisites, (3) to secure the best market for the sale of produce, (4) to buy or hire pedigree bulls for the use of the members and societies,(5) to arrange for all kinds of agricultural assistance, (6) to arrange for the holding of agricultural conferences, exhibitions and shows at various centres in the two districts, (7) to disseminate a knowledge of the latest improvements in agriculture by means of leaflets, touring, lectures, etc. (8) to act as a medium of communication between members and the Department of Agriculture in all matters relating to agriculture and applied industries, (9) and such other object as may be conducive to agricultural development and prosperity.

No. 2. That a committee consisting of twenty persons be formed for carrying out the objects of the 1st Resolution.

No. 3. That in the opinion of this Conference the Co-operative Societies in the districts of Madura and Ramnad do interest themselves in the spread of Elementary education and for this purpose request the authorities to open primary schools wherever necessary with instruction in elementary agriculture as an integral part of the curriculum and render all assistance in the matter of inducing children to attend schools and offer such other help as may be possible and that Elementary school teachers should be made to undergo a course of training in experimental farms for such a period as in the opinion of the Director of Agriculture may be necessary for their acquiring a practical knowledge of agriculture and use of agricultural implements.

Second Day.

The Conference resumed its sitting at 11-30 A.M. next day. Mr. Sethu Rama Aiyar of Nidamangalam read a paper on "Co-operative methods in cotton cultivation", Mr. Periyamayathevan of Lingamanayakanur, on 'Co-operation as a means of decreasing crime', Mr. Karupathevan of Ayodipatti on 'Co-operative Societies as developing character' and Mr. R. Lakshmana Aiyangar on 'Distributive Societies.'

Resolutions Passed.

No. 4. That in the opinion of this Conference the Co-operative Societies should attend to the improvement of village sanitation and for this purpose a scheme be prepared by the Panchayat of each village and the Local Boards be requested to render them such financial assistance as may be deemed necessary in each case.

No. 5. That this Conference is of opinion that the formation of Co-operative Societies of the type mentioned below should be encouraged in suitable centres; (1) Co-operative Rice Factory. (2) Co-operative Manure Factory. (3) Co-operative Cotton Ginning Factories. (4) Co-operative Oil Press. (5) Co-operative Milk and Butter Societies. (6) Co-operative Grain Banks. (7) Co-operative Cattle Insurance Societies.

No. 6. That this Conference urges the importance of forming Co-operative Housing Associations for relieving congestion in habitations and that a committee be formed for the purpose of forming such an Association in the town of Madura.

No. 7. That this Conference is of opinion that a central library consisting of books, periodicals, magazines, reports and statistical information on co-operative and agricultural subjects should be constituted and that the Government be requested to supply the said

Library with all Government publications and support it by such grants as may be needed for its proper equipment.

No. 8. That the Court of Wards, Public, Religious and Charitable Institutions be requested to make their deposits in co-operative institutions registered under the Act.

No. 9. That the Government should be requested to appoint a Travelling Agricultural Inspector to advise the members of Rural Co-operative Societies on agricultural matters.

No. 10. That in the opinion of this Conference the Co-operative Societies should adopt special measures for the promotion and encouragement among their members of habits of thrift and to this end, introduce various forms of deposits, particularly chit fund deposits, which, by their familiarity, finds very great favour with the people of this part of the country.

No. 11. That this Conference is of opinion that the time is ripe for the formation of distributive societies in various centres and that they should be permitted to have inter-trading amongst them.

No. 12. That this Conference considers that it should be the definite aim of Co-operative Societies to reclaim their members from outside indebtedness and that to this end each Co-operative Society be instructed to prepare annual statement as to the amount of aggregate antecedent indebtedness of its members and as much of it as has been reduced during the year.

No. 13. That this Conference is of opinion that the introduction of a bye-law in all rural Societies similar to bye-law No. 17 of the Othakadai Society with respect to joint loan transactions is the first practical step in the development of agricultural co-operation.

No. 14. That in the opinion of this Conference every possible encouragement should be given for the promotion of village industries in rural areas and for this purpose all raw materials that may be needed for such industries should be secured to the members through Central Associations.

No. 15. That this Conference desires to invite the attention of the Panchayats to the defects of mismanagement mentioned in para 51 of the Registrar's Administration Report and exhorts them to strive to their utmost not to allow such defects to enter into the management of their respective Societies, the defects being—Heavy cash balance, Loans to Panchayatdars, Benami loans, Refusal to grant receipts, Personal security, Laxity in the collection of arrears, Reloan to members, Reloan to Societies and the One Man Society.

No. 16. That an experimental agricultural station be opened at any place within these two districts similar to the Pallur Farm, whose distance makes it inaccessible to the ordinary ryots of these districts.

No. 17. That this Conference strongly emphasizes the need for the formation of a Provincial Co-operative Union as resolved upon by the 1st Madras Provincial Conference and earnestly requests the Registrar to register this Union as early as possible.

Chairman's Concluding Remarks.

The Hon'ble Mr. Sivaswami Aiyar then made the following concluding remarks:—

It only remained for him, then, to congratulate the Conference on the successful termination of its labours. He had been greatly struck with the several novel and pleasing features of that Conference.

The first and foremost among them was the large attendance at it of non-Brahman delegates. Out of the 148 delegates that had attended that Conference, only 38 were Brahmans. Among the rest, there were 11 Christian delegates, 43 Kallars and one panchama; while 55 was the number that represented the other non-Brahman classes. He hoped that the interset taken in the movement by the non-Brahman classes would grow, and that in years to come, when such Conferences were held, the number of delegates attending them would become doubled and trebled.

A specially pleasing feature that he noticed in the attendance at the Conference was the presence of a panchama. He had not only attended, but had taken an active part in the proceedings. He spoke on the Resolution relating to the establishment of an agricultural farm, spoke on it, and not simply read a speech, as other speakers coming from villages read speeches written out for them by others, but spoke out, in his own simple and rugged way sentiments proceeding straight from his heart. It was a remarkable sign of the times, and an evidence of the interest that the higher classes of their community took in the uplifting of the lower. They had felt that their Society could not make any real advance until all its constituent parts progressed all at the same time and at the same pace; and this conviction had induced an anxious effort to produce a feeling of common interest between them and to make them realise that they had their own countrymen to look to for help rather than the members of an alien community.

The next feature of the Conference was the comparatively small number of Resolutions passed, invoking the aid of the Government. It was a common characteristic of such Conferences to appeal to the Government for help in this direction or in that. It was not that he could not appreciate the necessity that there might be, in the case of other Conferences, to ask for Government help. The less, however, they applied to the Central Government for

help, the more conducive was it for the spread of a self-reliant and co-operative spirit among them. Out of the 17 Resolutions passed by them at that Conference, only four contained requests for help from the Government. One was about the establishmet of agricultural farms ; the second was for the appointment of agricultural instructors ; the third related to the free supply to their library of publications on agriculture and co-operation ; and the fourth, to the importance of opening Primary schools, and of including agricultural education in the curriculum of studies therein. Considering the importance of the issues raised in those Resolutions, the demand for help from the Government was not extravagant. He could not, however, answer it at once. He could not commit the Government to one view or another in regard to the help sought. But all he could say at present was that when their requests came up before the Government, they would receive their most sympathetic and careful consideration.

The next feature of their Conference was the large capaciousness of their programme. Their very comprehensiveness illustrated the all-pervasiveness of the co-operative spirit seized hold of his mind, he sought to extend the benefits of it in all directions. It was that over-mastering tendency of the co-operative spirit that had induced Mr. K. Ramaswami Aiyar, their Secretary, to put forth such a vast and varied programme. It might strike one as too large a programme to be realised in the future, near or even remote. It, however, did one good to be of an optimistic turn of mind. The speaker was a great believer in high ideals ; and if they were steadily pursued, they should materialise into actions. He hoped that their Resolutions would not be mere pious aspirations ; but that every endeavour would be made to follow them in their practical conduct. Taking these Resolutions as they were, there was no reason *prima facie* to look upon them as impracticable. Take, for instance, the Resolution relating to co-operation in agriculture. As Mr. Sampson pointed out yesterday, there might be some difficulties in the beginning in realising some of the objects contained in it. But was it any reason why no attempt should be made in that direction? He could see no inherent objection in the proposal itself. They should have faith in the practicability of the proposals they made and strive to reach them and to realise them. On no account should they turn away from the pursuit of high ideals, because they were too large to be realised at once.

He had thus far dwelt on the special features of the Conference. Now he wished to say a word or two in regard to the realisation of the ideals he had recommended to them that they should keep in view. The first and foremost condition of success was the creation and cultivation of the co-operative spirit among the people, and for that purpose, they should organise a band of ardent and enthusiastic propagandists to go forth among the people to preach to them the gospel of co-operation. He knew that there were some honorary workers who were engaged in it, at great sacrifice to themselves, but their number was too small for the work that lay before them. Certainly, they had, by their presence at that conference, testified to the interest they took in the movement. He hoped, however,

that it was not a mere passing interest, but would be of a permanent and enduring character.

He imagined that when that Conference had been dispersed, and the members returned to their homes, they would give some thoughts to the various Resolutions that they had passed, to further the objects contained in them. He saw at that Conference delegates from those parts of the country which had hitherto remained comparatively unsusceptible to the influences of knowledge and culture. Their presence at that Conference and the interest they manifested in the movement was evidence that the levelling down process had been at work and had yielded gratifying results. It was to be hoped that the members of that Conference would each carry home with him a pleasant recollection of its proceedings, as also an intelligent appreciation of the work done at it, with a firm resolve in his mind to assist in the carrying out of it. He hoped that every member of that Conference would, on his return to his place, induce his friends and neighbours to join the movement, and thus be each a centre for the diffusion of co-operative knowledge in the sphere of his influence, and thus help to establish Co-operative Societies in villages where at present there was none.

The work of teaching and spreading co-operation amongst the people opened out a large field before retired officials. He had made that remark before at other places ; but there was no harm in repeating it again before that audience. At present, most of them spent their time in seclusion, thus denying to their countrymen the benefits of their knowledge and experience. Probably, they thought that having been employed in public service, more or less strenuous, during the active period of their lives, they should spend the remainder of it in rest and retirement ; but the public service they had rendered was a paid service. This was honorary public service, and was of a higher value ; and it was a peculiarly appropriate field where their knowledge and experience of the world would find most scope in doing good to the people around them.

It had often struck the speaker that when a man undertook a public work, others around him ceased to think that it was their duty to assist him in his work. Nearly the whole work practically fell on him, with the result that he often found it too much for him. That ought not to be the case. Others, possessing leisure and talents, should willingly co-operate with him in order that the work undertaken might succeed thoroughly. It had occurred to him in that connection, if it was not to the good of the country, that all its citizens capable of rendering service to it should be called upon to contribute towards it. In the public life, or in the filling up of honorary offices, every one fit for it should have a turn instead of the same man continuing the whole time. That was recognised in the case of honorary occupations in civic life ; and, in the same manner, in the sphere of public service to the country, every one should receive a training and a chance, except in rare cases, where the continued retention of a public man in his post could be justified on any special ground. Such a unique merit and service which could not be replaced, he should make room for others and watch and teach them to work in the public cause.

One of the directions in which their thoughts and energies might be employed was the education of the people in the methods of co-operation and of the management of Co-operative Societies. A very useful work could be done by translating, with the permission of their authors, and without infringing their copyright, some of the publications issued on co-operation, and placing them within the reach of the people who could not read the original. At present, the Registrar was making selections therefrom and publishing them, which were read only by those in the Department, and by some in large towns. But the speaker did not know if the people in the interior had anywhere been provided with literature, suited to their intelligence acquainting them with the wonderful achievements of co-operation in other countries. What was required in the matter was a ceaseless reiteration of the successful achievements of co-operation before the people in the market place, in the temple squares, and so forth, wherever they could get an audience for it.

He had ventured to make these remarks to them, not to offer them any advice. It was not that he thought that these ideas had not occured to them already, or that they were not carrying them out already. His purpose was to add his own appeal to them to realise that co-operation was a limitless field, and was a potent instrument to achieve the progress of the country in moral and material concerns.

Rao Bahadur G. Srinivasa Rao garlanded the President and thanked him in a short speech.

The proceedings terminated with the singing of the National Anthem and three cheers to Their Imperial Majesties, to the Viceroy and Lady Hardinge, His Excellency the Governor and Lady Pentland and to the Hon'ble Mr. P. S. Sivaswami Aiyar.

Garden Party.

In the evening Mr. P. C. Muthu Chettiar, Zamindar of Seruvalai, entertained the President at an evening party at the Minakshi Vilas.

Agricultural Exhibition.

In the same morning there was an Agricultural Exhibition where different kinds of manures were shown by the representative of Messrs. Parry & Co., specially sent for and there was demonstration of some of the seientific agricultural implements.

PROGRESS OF CO-OPERATION.

INDIA—Madras.

Extracts from the Annual Report on the working of the Co-operative Societies in the Madras Presidency during 1911—12 :—

During the year under report the number of central societies rose from 5 to 6, urban societies from 30 to 46, and rural societies from 595+1 union to 969+3 unions; and the number of members in central societies rose from 420 to 643, in urban societies from 9,596 to 13,527, and in rural societies from 44,102 to 66,156. The total working capital of co-operative societies rose from Rs. 49,15,023 to 74,63,739.

* * *

The general tendency throughout the Presidency, particularly in districts with many existing societies, is to ask for more credit societies, and the applicants are not deterred by the condition of unlimited liability without which a rural society cannot under the law be now registered. It is true they do not like this form of liability at first, but they seem to accept it in fact as a necessary evil, because they see that without it outside capital cannot be made available to them.

Equally satisfactory in this Presidency is the ease with which money is now found to finance co-operative credit societies. The need for a Government subsidy has long passed, and provided there is the guarantee of Government supervision and Government audit, investors are willing enough to advance the money required by societies on what are practically long term first mortgage loans.

* * *

The Reserve Fund of the Presidency is now Rs. 2,500 short of Rs. 3 lakhs, an increase of 60 per cent. above the figure (Rs. 1,85,498) reported last year, which in turn was 62 per cent.

more then the figure reached at the end of 1909–1910. In other Provinces (*e.g.*, Bombay) it appears to be the practice to allow societies to use their Reserve Funds as working capital. In this Presidency, no society is permitted to keep its reserve fund which is invested in the district or central bank, the reserve fund of the Madras Central Urban Bank being invested in the Bank of Madras. Proposals for utilising the profit on reserve funds in order to improve and enlarge the system of unions are now before the Board of Revenue.

The tendency to borrow money in increasing proportion for marriage expenses may be noticed in statement III of the general summary, and it is more characteristic of urban than of rural societies, which fact was also noticed last year. On this point Mr. H. W. Wolff observes in a letter which was published in the *Madras Bulletin of Co-operation* for June 1912. "Please do not consider that the granting of loans for such things as marriage requires any apology. Wherever the panchayat considers the circumstances appropriate, it is not only legitimate but commendable. It effects a saving, which is as good as being productive, for 'a penny saved is a penny got,' and it trains people to more economical expenditure." Borrowing for the discharge of prior debts also increased, from 36.2% to 41·5% in urban and from 43·8% to 47·5% in rural societies. It is probably another aspect of the same phenomenon that loans above the individual value of Rs. 250 formed 23·9% of all loans granted by rural societies, where-as in the previous year the proportion was only 19·5%.

* * *

The following new urban banks are worthy of special mention. The Tanjore Elementary Teachers' Society (No. 835), which was organised by me about the same time as a similar society (rural) at Tiruvadi, was asked for by the Elementary teachers employed within Tanjore Municipal limits and was a first step towards relieving the small needs of poorly paid officials in local or municipal employ. The Kasaragod Elementary Teachers' Society (No. 971) is another institution of the same type and I expect that several other teachers' societies will come into existence in the near future: they are especially valuable, as tending to impress

co-operative lessons on the rising generation. The Madras City Co-operative Bank, Limited (No. 900) is the first purely credit society established for the middle clases in the Presidency town and though it was only at work for three months of the year under report, it began well and is continuing to do good work. Since the close of the year another important society, the Madras Government Servants' Co-operative Bank has been registered, with the sanction of Government, as society No. 980. The Mattigiri Urban Bank, Limited (No. 601) is in some respects the most notable society registered during the year, owing its existence, as it does, to the active benevolence of Major G. H. Badcock, Superintendent, Mattigiri Remount Depôt, who, long before this society was registered, had instilled co-operative principles into the minds of the Mattigiri people with such good effect that that village now presents a beautiful object lesson of village roads and village sanitation maintained on purely co-operative lines. The Mattigiri Urban Bank which confers the boon of cheap credit, administered with rigid attention to punctuality, upon hundreds of syces and cart-bullock drivers, besides benefiting the superior employés of the Dépôt, is the crowning work of Major Badcock's organising genius.

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Loans.—It will be seen from the general summary that societies have on the whole made no new departure of any importance in the distribution of loans to members. Loans for the discharge of prior debts accounted to 47·5 per cent. of total loans against 43·8 per cent. in the previous biennium, while for productive purposes on the whole, only 50·7 per cent. of the total amount was disbursed against 54·4 per cent. in the two previous years. Non-productive purposes claimed and received 1·8 per cent of the total against 1·7 per cent. in 1909–11. On the whole there seems to be a tendency to take from productive purposes and give partly to discharge of prior debts and partly to non-productive objects. The tendency can only be combated indirectly by inculcating true co-operative principles on societies and their panchayats.

On loans of Rs. 250 and above, 23·9 per cent. of the total was granted against 19·5 per cent. in the two previous years. The

tendency to pay more attention to the discharge of prior debts (often of the panchayatdars themselves, as the sequel will show) is here manifest. Immoveable property was mortgaged for 43·2 per cent. of loans and personal security was pledged for 55.7 per cent. against 47·4 per cent. and 50·7 per cent. respectively in the two previous years. The department usually prides itself on pushing suretyship loans, and co-operatively speaking, this is a move in the right direction, but I have reason to fear that in unscrupulous hands the suretyship system does lead to grave abuses. Only good societies should be permitted to lend outside money extensively or exclusively on suretyship loans.

* * *

I shall classify under nine heads the principal abuses and dangerous or dishonest practices which have been found to exist in societies :—

(1) *Heavy cash balances.*—A society has no business to keep a heavy cash balance when it should either have returned it to the Central bank or disbursed it as loans to members. When collections have not been credited to the proper head and have been temporarily misappropriated, the natural expedient is to show them as a cash balance. The entry costs nothing until an inspection is made and when an inspection is made, the Secretary or President may avoid the risk of prosecution by "showing" the required amount to the Inspector.

(2) *Loans to panchayatdars.*—Many societies are under the impression that the panchayatdars are entitled by precedence to the first or the largest loans. In the beginning it may have been necessary to induce the leading men in a village to form a society in the hope of extricating themselves personally from debt; but now we are in a position to exact more stringent conditions and not to allow panchayatdars in future societies to monopolise the loans.

(3) *Benami loans.*—A President or Secretary who wishes to seem impartial may cause a loan to be advanced to a friend when he himself is to benefit by the loan. This plan may be resorted to not only in order to rebut a charge of partiality but to enable a

borrower to have more than the maximum loan he is entitled to under the by-laws.

(4) *Refusal to grant receipts.*—Ryots are generally careless about receipts: they do not ask for them or they are not careful enough to preserve them. A Secretary or President may withhold receipts, and with impunity appropriate collections to his own use. The borrower is thus deprived of the means of proving his case.

(5) *Personal Security.*—The co-operative staff rightly advocates the giving of loans on suretyship instead of on mortgage of immoveable property. But the by-laws of the older societies do not always prescribe the limit up to which a person may stand as surety and cases have come to light in which a member whose property is not worth Rs. 500 has stood surety for different persons up to Rs. 1,000. A dangerous variant of this practice is when illiterate persons are represented as having stood sureties for one another and a document only containing marks instead of signatures is forged to support the story, with the connivance of a bazaar witness, who it may be is the only literate person among the parties to the documents. This is a convenient expedient to avoid showing a large cash balance where the Secretary or President has committed temporary misappropriation.

(6) *Laxity in collecting arrears.*—Panchayatdars who themselves owe the society large sums of money are naturally lax in collecting dues from others. A few big defaults may be masked under a general show of rigour in petty cases: or the small borrowers may be made to pay up in order to qualify the society for an extension loan from the Central Bank by remitting to the latter one-tenth of the principal due. A few societies are notoriously lax in collecting arrears and if the latter do not improve the only remedy will be to dissolve them.

(7) * *Re-loans to members.*—Occasionally a borrower is made to execute a fresh bond, so that his default may disappear from the loan ledger. When this device is largely resorted to, the risks are very grave. I am introducing a liability register which will show the history of the transactions of a society with every borrower and every surety, so that it may be clear at a glance whether

a member's capacity to borrow or to stand surety has been exceeded at any time and whether repayments entered in the ledger to his credit are genuine.

(8) * *Re-loans to societies.*—When a society applies for a second or a third loan, it is sometimes intended merely to discharge an instalment overdue to the Central or District Bank. If the society has done nothing to pay the instalment in the regular way, *i.e.*, by means of collections from members, or if it has used collections imprudently for granting fresh loans to members when an instalment to the Central Bank was overdue, the society is without excuse. Loans from Central Banks are applied for by societies invariably on the ground that members (old or new) want them, but the officer who recommends the loan to the Central Bank cannot always discover subsequently whether the amount has been properly utilised. Frequent inspection is necessary to obviate this danger.

(9) *The one-man society* is the ninth and last danger. Though there is always a panchayat, its active interference in the affairs of a society is not always in evidence. When one man does everything for the society, keeping its accounts and money, recording panchayat and general body resolutions, sanctionings and collecting loans, etc , and that man happens to be unscrupulous, all the evils above noted may co-exist and they may be difficult to detect because no one except him is aware of the transactions of the society. General illiteracy in a village is one source of this risk but there are illiterate villages, especially in the Kallar tract, which are wide awake in regard to their interests, whereas there are literate villages which look upon their society as one man's business.

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Groups.—Groups of societies were not hitherto registered as unions though they may now be so registered under the present Act); a group consists of three to ten societies in the same neighbourhood which are visited and kept in order by a group examiner who is paid Re. 1. per mensem by each Society in the group. There were at the end of the year 1911-1912, 18 such groups in

*The word '*re-loan*' does not seem to be in the Dictionaries, but it is a convenient neologism for a renewed loan.

the Presidency, comprising 87 societies. A group is a natural step leading in due course to the formation of a local union.

Grain Banks.

It has been stated above that all the rural societies registered during the year are cash societies with the exception of one, the Kilacheri Grain Bank, Society No. 968, which was registered on 31st May 1912. This society has been followed since the close of the year, by two others, the Pagalpatti Co-operative Grain and Produce Bank, Limited (No. 977) and the Puttur Co-operative Grain Bank, Limited (No. 978). The operations of these grain banks will be reported on next year.

Other forms of Co-operation.

Hitherto co-operative secieties other than those for credit were registered only with the special sanction of Government under section 29 of Act X of 1904. The present Act, II of 1912, allows the registration of any co-operative Society by the Registrar; and accordingly a society for acquiring land for building purposes and for producing gingelly-oil for supply to the Triplicane Co-operative Stores was registered as the Mambalam Co-operative Society, No. 922, on 2nd April 1912. Other applications for non-credit societies have been received by the Registrar and are being considered.

There was one addition to the number of distributive societies or stores reported on last year, *viz.*, the Coonoor Anglo Indian League Co-operative Stores, Limited (No. 938), registered on 9th May 1912. *Per contra* I am sorry to add that there is every likelihood of one of the existing stores, the Ootacamund Co-operative Stores, being dissolved at an early date, on account of the heavy losses it has sustained year after year. The Big Conjeeveram Weavers' Union (No. 21), which until the registration of the Mambalam Society was our only productive society, has, since the close of the year, reconstructed itself on a limited liability basis.

FOREIGN.

GERMANY.

The *Central League of German Co-operative Society* has, says the *Co-operative News*, every reason to view the results of last year with keen satisfaction. The membership is now estimated to exceed one-and-a-half millions, as compared with a membership of 1,325,000 at the end of the previous year. The sales also show an equally satisfactory advance, the 506 million marks (£25,300,000) of 1911 having been increased by at least another 100 million marks (£5,000,000) during 1912.

The progress of German Co-operative Wholesale is worth recording. Its sales of 110 million marks (£5,200,000) have increased during 1912 to about 140 million marks (£7,000,000). In this increase the productive departments of the German Wholesale have correspondingly shared. The Wholesale has taken over the business of the co-operative society for the manufacture of chewing tobacco at Nordhauser. The manufacture of cigars and chewing tobacco will be conducted in the Wholesale's own works.

The establishment of Joint Co-operative and Trade Union Insurance Society is a noteworthy event for last year. As for the present year, it makes the end of the first decade of the League's existence, and every one will acknowledge that it has good reason to feel proud of its success.

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ITALY.

On the north-west coast of Italy there are now five fishermen's co-operative societies. One at Alassio, one at Carloforte, two at Comogoli, and one at La Foce. In addition to carrying on the fishing enterprise on the co-operative principle, the society will sell the fish direct dispensing with the middleman. Besides having its own fishing boats, the society has in project the selling of fish in its ownshops and the constructionof a Fishermen's Hall.

The establishment of the fifth society on this particular coast means other advantages also, in as much as it brings the societies up to the number required to form a Union amongst themselves and will enable them to enjoy the benefits accorded by the law of 1904.

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SWITZERLAND.

During the year 1912 the number of societies affiliated to the Union of Swiss Co-operative Societies increased from 348 to 369 and the total sales from 32,096,000 to 37,271,000 francs or in English currency from £1,283,840 to £ 1,490,840

But the special significance of last year is the launching out into the sphere of productive enterprise. The spirit which animates the Union is revealed by the erection of a shoe manufactory in Bale, and the aquisition of the important flour-milling establishment at Zurich. These may be taken as stepping-stones to further departures.

One interesting feature ot the Swiss Co-operative movement is that it has overleapt the barriers of race, and speech, though three languages viz., French, German, and Italian are spoken in Switzerland. The Union has a separate co-operative organ published in each language.

THE FIRST MADRAS PROVINCIAL CO-OPERATIVE CONFERENCE.

The first Madras Provincial Co-operative Conference was opened at Pachaiyappa's Hall on the afternoon of 21st December 1912. There was a very large attendance of delegates from all parts of the Presidency. Among those present were the Hon'ble Mr. L M. Wynch, the Hon'ble Mr. A. Butterworth, the Hon'ble Mr. R. C. C. Carr, Mr. R. F. Austin, Collector of Madras, Sir V. C Desikachariar, the Hon'ble Mr. P. R. Sundara Iyer, Rao Bahadur A. Rungaswamy Iyengar of Mysore, Dewan Bahadur M. Adinarayaniah Pantulu, Rao Bahadur V. K. Ramanuja Chariar, Dewan Bahadur P. Rajaratna Moodeliar, Mr. S. Ramasawmy Iyengar, Mr. C. Vijiaragava Chariar, Dewan Bahadur L. D. Swamikannu Pillay, Dewan Bahadur S. Venkataramadoss Naidu, Mr. T. Rangachariar, Mr. M.A. Narayana Iyengar of Mysore, Mr. A. Vedachala Iyer, Mr. V. A. Parthasarathy Moodaliar, Mr. K. Vijayaragava Chariar, Mr. B. Hanumantha Rao, Mr. C. Mariyappa Moodaliar, Mr. K. B. Ramanadha Iyer, Dewan Bahadur C. Karunakara Menon, Dewan Bahadur V. Nagamiah, Mr. C. Srinivasa Iyengar of Mysore, and the Kumara Rajah of Chellapalli.

H. E. the Governor, accompanied by Captain R. H. V. Cavendish, A. D. C., arrived shortly after 2-15 P.M., and was met and welcomed by the Hon'ble Sir John Atkinson, Dewan Bahadur P. Rajaratna Moodeliar, Dewan Bahadur M. Adinarayaniah Pantulu, Mr. T. Rangachariar, and Dewan Bahadur L. D. Swamikannu Pillay, and conducted to the Hall.

The Address of Welcome.

Dewan Bahadur P. Rajarathna Moodeliar, C.I.E., in the course of his address of welcome, said :—

Our special thanks are due to H. E. Lord Pentland for having graced this auspicious occasion with his presence to open the Conference and give his blessings for the continued success of this

humble movement. It is hardly two months since His Excellency entered upon his high office, and during this short period he has been most busily employed in receiving deputations, granting interviews to Rajahs, Zemindars and leading gentlemen, and in visiting various institutions that required attention and seeing and learning things for himself. It was with considerable inconvenience, therefore, that His Excellency has found it possible to spare a few minutes to attend his meeting, and we cannot adequately thank him for the great honour he has done us. Our sincere thanks are also due to the Hon'ble Sir John Atkinson for having, in the midst of his multifarious duties as Senior Member of Council, kindly consented to preside over the deliberations of the Conference.

Gentlemen, among the innumerable benefits conferred upon the people of this country by the British Government, the co-operative movement stands out quite the most important and bids fair to be far-reaching in its effects.

The latest Report, which is for the year ending the 30th June, 1912, the eighth year of the movement, shows that the number of Societies of all descriptions has risen from 596 in 1910-11 to 972, and the number of members from 44,102 to 66,156 while the working capital has risen from Rs. 49,15,023 to Rs. 74,63,739. It is a significant fact that the loans given by Government amounted to no more than Rs. 36,030 as against Rs. 40,546 in the previous year.

Gentlemen, the figures speak for themselves and need no further comment. In a letter received by me five days ago from Dewan Bahadur P. Rajagopalachariar, C.I.E., the first Registrar appointed to this important duty, after expressing his deep regret, at not being able to attend this meeting, adds the following remarks with his characteristic modesty:—"When in 1904 I started operations, very few of us believed that any thing would come of it, and yet the whole thing has become a big affair now, and it is difficult to realise that the movement is only eight years old." Yes, the success has been truly remarkable. At the same time we must remember that as yet we have tapped but a small fraction of the field open before us. Excluding Zemindari and Inam villages which have been left practically untouched, there are 33,000 Government

villages in the Presidency, grouped under one village head for purposes of village administration. At present the Co-operative Credit Societies already organised probably serve about 3,000 villages, while Agricultural Co-operative Societies, properly so called, are practically non-existent. There is thus an immense scope for the extension of operations in both directions, and it is the opinion of all who have carefully watched the progress of the movement that the time has arrived for the Government to take a bold step forward, to encourage the steady growth not only of rural Credit Societies for loans but also of Co-operative Agricultural Societies for production, distribution and sale of agricultural products. Under existing conditions, these latter are somewhat difficult to work and therefore require special care and fostering and for that purpose a special establishment will be necessary. I understand that at the end of June, 1912, many hundreds of applications for the opening of new Credit Societies were pending undisposed of. Now that the success of the movement has been established beyond a shadow of doubt, there ought to be no hesitation on the part of Government to sanction an adequate staff of qualified Deputy Collectors to deal with these applications without needless delay and organise fresh Societies wherever the conditions are favourable. The work of the Registrar has also so greatly increased that it is necessary to allow him a Personal Assistant of the standing of a First Grade Deputy Collector.

It is also a question for consideration whether the Department which has now extended its operations to all parts of the Presidency and which is certain to expand still further in the near future, should not be placed under the direct control of the Government. The intervention of the Board of Revenue would seem to be no longer necessary and work would be expedited if the control of the Department is taken over by Government as in the case of the Registration Department.

There are many other points on which I should like to make a few remarks, but they will all come up before the Conference for discussion, and I shall not therefore take up your time by referring to them here. The Conference of Registrars recently held at Simla unanimously resolved that "it is undesirable at the present time to relax the Government control over the auditing and inspecting staff"

but that on the contrary "the staff should be increased with the growth of Societies" and should be under the direction of the Registrar and not under the control of Central Banks or Unions. I entirely agree in this view and am further strongly of opinion that it will be a long time before the Government can think of withdrawing from such control. It might withdraw from pecuniary help, but not from supervision and control. It is the guarantee of Government supervision and Government audit that has led to the success of the Co-operative movement so far and has developed a new spirit and created confidence among the people.

H. E. The Governor's Speech.

In declaring the first Madras Provincial Co-operative Conference open on the afternoon of 21st December 1912, H. E. the Governor said:—

I am much honoured by your invitation to be present here today, and I congratulate you on the large attendance at this first Provincial Conference on co-operation. This Presidency may well be proud of the work of Sir Frederick Nicholson, whose labours laid the foundations of co-operative credit enterprise, not only for Madras, but for the whole of India, and all those who have worked with him may well be gratified and encouraged by the progress which has been made. I join heartily in these congratulations, and wish you all success in the future. Unity is strength, and the principle of co-operation is simply the principle of mutual aid, of association, of clubbing together for a common purpose. It has been described as a law of nature, and the chief factor of progressive evolution; but as Darwin and his followers have pointed out, there is another great factor of evolution, namely, the struggle for life, the survival of the fittest, which may be translated for business men into the term "competition." There is a perpetual conflict between these two tendencies, competition and co-operation; and co-operation if it is to advance as we should wish it to advance, requires all the help which can be given to it by human intelligence and sympathy.

Forms of Co-operative Effort.

Co-operative effort has taken various forms in various countries. In Germany and France it has taken the form of Land Banks,

agricultural credit and agricultural organisation. In Great Britain it has taken the form chiefly of co-operative distribution and production. Here in India in the form of Co-operative Credit Banks it has achieved, as has lately been said by Mr. Henry Wolff, a unique success since its foundation about seven years ago. The purpose of the Act of 1904 was the organisation of Co-operative Credit Societies, and taking this Presidency by itself, while in 1905–6 there were 25 Societies with a membership of 2,733, the figures for 1911-12 show for the Madras Presidency 969 Societies and three Unions of societies with a total membership of 66,856–a record of most remarkable development. These Credit Banks have provided the great boon of cheaper money, resting, of course, upon better security. It has been calculated that without them the interest paid on the present total loans would be greater than it is by at least Rs. 1 lakh. This is all to the good and must have brought great benefit to those concerned.

Cheap Money.

At the same time cheaper money may have disadvantages, and it is the case here, and it should not be overlooked that borrowings have increased and the total outstanding obligations are relatively greater than they were before the introduction of co-operation. I hope and believe, however, that as time goes on, this feature may disappear and that the importance of thrift, the virtue which above all others should be practised as well as preached by co-operators, may check and overcome whatever tendencies there may be to heavy borrowing. The limit of usefulness of this Co-operative Credit movement is far from having been reached. It may almost be said to be in its infancy, and it is for you to-day to consider what steps should now be taken to strengthen and to safeguard it.

The Essentials of Success.

I notice various suggestions in your draft resolutions which are to be discussed. I express no opinion upon these Resolutions. The co-operative movement, as I have already reminded you, is not confined to this country. There is an old Latin saying *Calum non animum mutat trans mare currant*, which means that those who cross the seas and go to foreign countries do not change their spirit though they may live under a different sky. Under whatever sky it may be found the co-operative movement is

essentially a voluntary self-governing movement depending for its health and vitality, not upon Government, but upon the intelligence and watchfulness and probity of its own members. Its safety lies not in any central controlling Committee or authority, but in the village society itself. So long as each village society manages its own business prudently and is at the same time alive to the advantages of combination with its neighbours, the co-operative movement must live and grow. However far our Indian co-operative movement may fall short of the ideal, and of course I realise that like everything else, it must have its beginnings, it is well to keep the ideal steadily before us. In the meantime it is to be hoped that your efforts may receive from all quarters the encouragement and support which it deserves. It may be, and I trust it will be, that in time to come this movement may grow so strong as to wish to stand alone and be independent of all Government support. But that time has not yet come, though it is gratifying to see how very small a portion of the capital involved is provided by Government. At present the work of inspection and audit lies with Government. I need not point out to you that upon the efficiency of inspection and audit public confidence in your movement largely rests. It is therefore my view that so far and so long as this is so, the work undertaken by Government should be thoroughly done by a competent and adequate staff.

It is not enough, however, in my opinion to inspect and to audit. The safety and progress of co-operation depends upon education. Co-operation is a living principle which must have roots in the heads and hearts of the community. If it is to remain permanently healthy, it cannot be imposed from above. You must educate and see to it that the principles of co-operation are understood, so that those who benefit may understand thoroughly how to protect themselves and to manage their own business in their own village societies. As a new comer I am not aware what efforts are being made to promote such education, and what share Government take in this work. I express no opinion now as to whether and to what extent it may be desirable for Government to take part in such work and I trust that your own efforts may receive support from other directions, and from all who are interested in the welfare of the rural population.

Progress already made.

After all, the best evidence of the success of the Co-operative Credit movement in this country, which took form only after the passing of the Act of 1904, is the Act of 1912; for the Act of 1912 authorises a wider application of the co-operative principle. Co-operative Associations may now be formed not only for credit, but for distribution, for production, for the sale or purchase of agricultural produce, or implements, for the supply of seeds or manure for the insurance of cattle and for other purposes; in fact, generally for the promotion of economic and industrial interest of their members. This opens a large field to Co-operative enterprise, and the question arises—Is there in this Presidency an opening for such enterprise?

Fields for Expansion.

You will not expect me this afternoon when you are going to listen to Sir John Atkinson's Presidential Address, to work out for you in detail the possible applications of co-operation to agriculture. But let me give you an illustration of what is waiting to be done. I mentioned the purchase of seed. I understand that in this Presidency the Agricultural Department has made a beginning in the work of supplying pure cotton seed. This distribution of pure seed is having a good effect. There has been a marked improvement in the quality of the cotton so obtained. Last year, for instance, in about four Districts alone 170,000 lbs of pure seed was sold direct to cultivators. The competition for it was very great, although the ryots paid a higher price for it than for that obtainable in the bazaar. Here is an opening for Co-operative enterprise. A Co-operative Society could purchase this seed more cheaply than the individual ryot, because it would purchase in bulk, and it would save freight.

Take another instance. Not only seed but manures might be obtained more cheaply in this way. I am informed that in the delta Districts of Kishna and Godavary the demand for manures is very great. In some instances the people have been digging up and using the soil from the sites of old houses. This supply is naturally very limited, and by experiments a satisfactory substitute has been obtained. Co-operative Societies could purchase manure more cheaply than the individual ryot. Societies by being able to take

contracts for the supply of manure or refuse could obtain it more cheaply than can individual ryots, buying each man for himself. These are merely illustrations which might, I am sure, be multiplied by your own experience. The outlook is most hopeful, and I have little doubt that a beginning will soon be made now that for the first time facilities are offered for the formation of Societies working on co-operative principles to improve and develop economic interests and especially agriculture, the greatest of all economic interests. For this purpose it is not necessary to lay fresh burdens on the Co-operative Credit Banks, for, if desirable, separate organisations may well be formed to apply Co-operative principles to agriculture. The two organisations can work independently and side by side.

Agriculture.

Agriculture seems to be an obvious opening, when the time is ripe, and as time goes on other openings will, no doubt, be found for the application of the co-operative principle in industry. Co-operators are nothing if they are not enthusiastic. One success leads to another; and with success, and not without it, capital and mutual confidence will grow. We may be hopeful; we must certainly be grateful for the progress which has been made; and we must not be impatient for the future. If it is to endure the fabric of commercial and industrial enterprise in this country must grow slowly, and its foundation must be laid wide and deep. No social movement will more surely strengthen these foundations than co-operation. Its operation is not bounded by economic interest. Not only will it lighten the burdens of the people, and train them to business methods, but, grouped in its fulness, it will be a continuing moral influence in their daily life and conduct, and in this way a powerful instrument of educational progress. It builds upon the ancient customs and institutions of this country, the Nidhis and Panchayats and the management of the village Co-operative Credit Banks offers a training ground for the government of local affairs and the exercise of public spirit.

Best of all co-operative enterprise brings together men of all classes, and castes and races, it tends to soften and obliterate divisions, it brings out and marks the overwhelming importance of the common interests which unite us all. And there is no one of us

who will not do well to bear in mind the wellknown motto of co-operators:—"In things essential, unity; in things doubtful, liberty; in all things, charity." To-day you have met to consider the position and the needs of the Co-operative Credit movement.

I wish you all success in your deliberations, and I have now the honour of declaring this Conference open.

The Hon'ble Sir John Atkinson.

The Hon'ble Sir John Atkinson, who presided, then delivered the following Presidential Address:—

We are fortunate in having secured His Excellency's presence to-day to open this Conference—the first of its kind that has been held within the Madras Presidency, because it is an earnest of His Excellency's interest in a movement which promises to be of the most far-reaching benefit for all classes of the population. Our gratitude is all the greater when we remember the exacting and increasing demands upon His Excellency's time.

The Chairman of the Reception Commitee has been good enough to make some reference to my presence here to-day. I can assure him that it has given me very great pleasure to accept the invitation of the Committee to preside at this meeting. I have had in one way or another a good deal to do with the co-operative movement since first it began to take tangible shape in 1904. I was a colleague on the Board of Revenue of Sir Frederick Nicholson, the father of the movement, a man to whom we are indebted more than we can say, for its genesis, and for our knowledge of how to start it on its way. And it was my good fortune to be a Secretary to Government when that start was made and when the first of that service of distinguished Registrars of Co-operative Credit Societies was selected. And to-day you have been good enough to invite me to preside over your deliberations, no doubt because in any capacity as a member of the Government Co-operative Societies come more particularly under my care.

I think there will be no misapprehension as to my position here. I am a listener and a learner, not a participator in your

discussions. Some of the Resolutions that will be submitted to you deal with subjects regarding which there may be diversity of opinion; some embody recommendations for action on the part of Government. It would be improper for me to express any opinion on those matters. All that I can say is that you may rest assured that whatever suggestions or recommendations you may make will receive the fullest and most careful consideration from the Government, who are solely animated by the desire to advance the healthy growth of co-operation in all parts of the Presidency.

Early Difficulties.

I said just now that I am a learner. But are we not all learners? How many of us foresaw the marvellous rapidity with which the seed of co-operation would grow? How many predictions were falsified? And which of us can say with confidence in what direction healthy development will most show itself in the future? Why, I can remember men of the highest experience and perspicacity, many of them Indians, men whose counsel was sought ten years ago by Government—no, I am not going to mention names—men who prophesied nothing but failure from Sir Frederick Nicholson's scheme. And you all remember how in those early days the principle of unlimited liability was scouted as impracticable and impossible, a principle which if insisted on, could wreck the vessel so newly launched. And then there was the question of Government subsidies. To many observers it seemed out of the question that without subscribtions from the Treasury any society could carry on business. And then, on the other hand, there have been instances of enthusiasm giving a wrong lead. There have been times and places where as you know much has been hoped for from distributive societies. Yet with one or two brilliant exceptions, the end of such societies has always been unhappy.

Splendid Results.

These are but a few instances which I would cite to illustrate my point that in the development of Co-operative Societies in this country the unexpected has not seldom happened and that, therefore, circumspection, foresight and care must attend each step in advance. We are all learners, in great measure experimenters, making use of a machine the full capacity of which we can but vaguely calculate,

and which if carelessly or unskillufuly driven may lead us into trouble. Yet think of the splendid results that have already been obtained. Let me give you some figures, showing the rapidity of growth—the rate at which the machine has been driven:—

Year.	No. of Societies.	No. of Members.
1905-06	25	2,733
1906-07	63	6,439
1907-08	101	9,537
1908-09	180	15,597
1909-10	377	30,685
1910-11	595 & 1 union	44,192
1911-12	969 & 3 unions	66,156

On the 30th June, 1912, the total working capital of the Societies was Rs. 74,63, 739 and duing the year ending on that date loans to the amount of Rs. 29,23,536 had been granted by these Societies. Is not that a very marvellous record for seven years' work—and that in a country where many competent observers have consistently imagined that the old communal spirit is dead, and where prediction was not wanting that Co-operative Credit Societies as they used to be called, could never live, however violently galvanised by State stimulus into a semblance of life?

Lack of Joint Stock Enterprise.

The case becomes perhaps more astonishing when we remember the lifelessness of Joint Stock enteprise in this country. As to this there can be no mistake. A glance at any Annual Report, on the subject will show the same discouraging tale of failure. "The present condition of joint Stock enterprise does not show any encouraging signs," was the recent remark of a local newspaper. "The inexperience of Directors, the dishonesty of managers or agents or the difficult nature of the business itself might have contributed to this result in the case of the many failures in industrial enterprise." A very distinguished fellow-citizen of ours commented in a recent number of the *Wealth of India* on this very phenomenon that Joint Stock enterprise languishes, while the co-operative movement is instinct with vigorous growth.

What is the explanation? Why is it that those entrusted with the management of Joint Stock concerns, men I suppose generally of education, of capacity, of some business knowledge, fail where inexperienced and comparatively ignorant villagers succeed? One can suggest many explanations. Perhaps the cause is to be found in the greater simplicity of a Credit Society's business, and it is noteworthy that distributive and productive societies have so far been almost complete failures. Perhaps what I believe is technically called "propinquity" affords the clue. A rural society draws its members only from mutual acquaintances, a Joint Stock Company from the whole world; and I remember when I once suggested to an Indian friend to invest some money in a Railway in South America, his prompt reply was that he preferred to put it into land which he could always have before his eyes. But this fact only explains the unwillingness of investors to invest in the unknown; it does not explain the inability of Directors to direct. Or again is it, perhaps as the Chairman of the Reception Committee thinks, the paternal and guiding hand of Government that enables our Co-operative Societies to walk while that Joint Stock concerns fall prostrate?

The Need For Care.

I have suggested a few possible explanations for this curious distinction between what are really scions of the same stock, the Co-operative and the Joint Stock movement. Most probably the true explanation is something altogether different from any of my suggestions. That is immaterial for my forecast purpose. The important thing is to realise the need for care in pioneering the footsteps of the infant undertaking, on whose future career we build such high hopes. Let us guard against the possible ill-effects of any hereditary tendency. One brother seems to have the rickets, and does nothing but fall down; let us see whether we cannot prevent the same disease in the case of the other brother, for whose healthy growth Government have made themselves so largely responsible.

Government and the Movement.

I notice that the first Resolution that is to be submitted to you calls on Government to take necessary measures to ensure satisfactory and safe acceleration in the growth of the movement.

I must refrain from commenting on the Resolution, because, as I have already indicated, I cannot with propriety make any statement of policy on behalf of Government. But I may, perhaps remind you that in seven years the number of societies has increased almost forty-fold; and I can assure you that satisfactory and safe growth for the future is a subject the importance of which the Government have always before them. The question undoubtedly arises whether the present rate of growth is consistent with safety. Much has been said about the enthusiasm necessary to spread the light of the co-operative movement. But enthusiasm is like fire, a good servant, but a very dangerous master. "The prudent man," says a well-known writer, "may direct a state, but it is the enthusiast who regenerates or ruins it." We have had proof of the mischief that may be caused by enthusiasm outrunning caution in the case of the Land Improvement Loans Act. And in that case, as in this, the enthusiasm of the propagandist was mated with the cry of the ryot for facility of credit. And the result was something akin to ruin. Beware, then, of the danger of multiplying facilities for credit before the people themselves are ready, prepared and fitted for the boon.

Careful Preparation Necessary.

Instances are coming to notice of mismanagement of the affairs of credit societies. I will not mention any names and wish to give no clue to identification. The Registrar and his officers very wisely take steps as far as possible to put matters right without publicity. They realise the importance of doing nothing that will shake public confidence in the movement. But they know also that the cause of the trouble has generally been the establishment of a society in ground insufficiently prepared. It is of the utmost importance to avoid all such regrettable occurrences. The field that lies before us gives promise of bountiful crops, but our cultivation must be clean, the soil carefully prepared, and above all we must utterly eradicate and extirpate every remnant of noxious growth, lest our harvest of grain be stunted and shortened by weeds.

Propagandism and Organisation.

It is a question worth consideration how best this process of preparation can be carried out; what should be the agency

employed. The process in reality consists, or has hitherto consisted, of two parts, propagandism or preaching and organisation. In same respects the need for the first of these propagandisms, seems to have passed away. No doubt there are here and there in the more backward parts of the Presidency, places and communities which have not heard, or do not yet realise the enormous benefits that they can derive from well-planned co-operation. But the fire of enthusiasm is burning so strongly that we cannot doubt that there will soon be no corner of the land which will not catch the kindling spark. So far the effect of this enthusiasm has been to create a demand almost solely for credit societies, *i.e.*, a demand for increased facilities for borrowing money: it has scarcely been recognised, at least in practice, that another gift which co-operation offers is increased facilities for thrift, for saving money. Will not the propagandists take up this subject? They cannot possibly do their fellow countrymen a greater service than by creating a habit of saving. I say nothing at present of the innumerable other openings for bettering the social and economic condition of the country that co-operation presents.

Propagandism is the first stage in the process of preparing the ground for the growth of co-operation. Organisation is the second, and a much more difficult undertaking it is. Yet still it is, I think, worthy of consideration whether this process cannot, in the same way as propagandism be better carried out by unofficial rather than by State agency. I do not wish to express my opinion on the point, but only to put it forward as worthy of careful consideration. Is not the time approaching when the hand of Government is no longer necessary to create and give its proper shape to each new society? Is not this a branch of the people's affairs which we can, subject, no doubt, to safeguards, leave to themselves? We should never foget that the indirect effects of a successfully established system of co-operation are almost, if not quite, as important as the direct effects. And among these indirect effects we cannot fail to recognise the education, the training that it gives to the people in managing their own affairs. And it seems no very difficult task for the people of any given locality, especially now that there are so many hundreds of examples before them, to carry through successfully all the different stages of self-organisation.

Indirect Effects.

I have referred to the indirect effects of this co-operative movement, and if we turn to consider them we find them practically unbounded. There is a strong movement on foot for the encouragement of productive and industrial co-operation, indeed for the combination of co-operation with every process of social and economic life. I need not say that the Government will watch the movement with most friendly eyes, and will be ready at all times to give their sympethetic assistance in whatever way may promote the healthy growth of this branch of co-operation. In agriculture, in industries, in arts and handicrafts in production and distribution there are a thousand openings through which united effort may multiply the value of individual labour. It is of the utmost importance to the well-being of the country that these openings should now be explored and made the most of. Indeed, I would go further and say that success in these matters will be a test of the real extent to which co-operation has advanced in this country. So far co-operation has been one-sided. Co-operative credit is the one branch that has flourished, even its offshoot thrift has as yet shown little signs of growth. What now is urgently needed is the development of other branches. If Co-operative Societies which have been five and six years at work cannot see their way to develop new sides to their work, that would seem to show that the roots of co-operation have not struck deep.

Moral Influence of Co-operation.

In this connection I cannot refrain from drawing attention to the second of the papers that have been contributed to this Conference—I mean Major Badcock's paper on "Co-operative Societies and their Moral Influence." It has been more than once reported by the different Registrars in their Annual Administration Reports that the institution of Co-operative Credit Societies has tended to reduction in the drinkIng habit. And here we have a description by an English Army Officer of how he made use of such a Society for the reclamation of the village drunkards. It is a splendid and most encouraging lesson. A year or two ago, when in the Legislative Council I remarked that the best way to wean people from drink was to use personal exhortation and persuasion. I came in

for some adverse criticism, almost ridicule. Yet here we see an English officer successfully making use of the weapon I suggested. I trust that the Directors of every Co-operative Society will do as Major Badcock has done, and I will say this, that if co-operation can be employed successfully as a means of reforming the drunkard, its beneficial possibilities are boundless.

Gentlemen, it is considerations such as these that make one realise how immense is the volume of enthusiasm that can be evoked by the study of the co-operative principle and by its practical application. No wonder that the officers of the Department are flooded with applications for the registration of more and ever more Societies. And I can assure you that all applications will receive most sympathetic treatment. Only let us make sure that the rate of progress is not dangerous, and that development proceeds on safe and satisfactory lines.

THE RESOLUTIONS.

The first Resolution, on the subject of "Development", was moved by Rao Bahadur V. K. Ramanuja Chariar and was in these terms :—

Rural Credit Societies.

"That this Conference believes that there is a genuine demand for the establishment of more Rural Credit Societies in the Presidency, and requests Government to take necessary measures to ensure satisfactory and safe acceleration in the growth of the movement."

The motion was seconded by Mr. C. Arulia Naidu in a speech in Telugu.

The Resolution was then put to the Conference and carried unanimously.

Separate Class Societies.

Mr. P. Venkatachari of Conjeevaram moved the next Resolution, which was in these terms :—

"This Conference, while considering that there is a great future for special Societies intended for the artisan, working and industrial classes, for productive purposes, is of opinion that the

establishment of Societies based on distinctions of caste or religion should be avoided as far as possible, as such a course is opposed to the fundamental principles of co-operation."

Mr. Chinniah Naidu, in seconding the Resolution in Tamil, denounced all caste prejudices in connection with the co-operative movement.

The Resolution was put to the Conference and carried unanimously.

Combination of Societies.

Mr. K. B. Ramanathan proposed the next Resolution, which is in these terms :—

"That this Conference believes that the formation of productive and distributive societies on co-operative lines would conduce to the industrial advancement of the Presidency, and is convinced that the combination of these distinctive functions with credit operations in the same Society is not opposed to the true principles of co-operation."

Mr. C. M. Sreenivasa Iyengar seconded the Resolution in Kanarese.

Other speakers having expressed their views for and against, the Resolution was carried.

Agricultural Societies.

The next Resolution related to the formation of Agricultural Co-operative Societies and was in these terms :—

"That this Conference considers that the time is ripe for the formation of special Agricultural Co-operative Societies in selected and suitable parts of the Presidency, for the definite purposes of (1) collective purchase of manures, seeds, implements, machinery, etc.; (2) the profitable sale of produce; (3) the diffusion of knowledge of agricultural improvements; (4) demonstration of improved methods and general propagandist work and (5) cattle insurance."

The Resolution was moved by the Kumara Rajah of Chellapallee and seconded by Mr. K. Ramaswamy Iyer, in Tamil.

The Resolution was then carried.

A Change In Law.

Mr. R. Anantha Rao moved :—

"That in view of the great hardship entailed on Societies by the award by Civil Courts of a lower rate of interest from the date of decree and by extending the time for repayment of loans, this Conference urges the need for revision of the present practice and the existing provision of Law in the Civil Procedure Code in regard to these matters, so far as duly registered Co-operative Societies are concerned."

Mr. Venkataranga Chariar seconded the Resolution, and it was carried.

Common Good Fund.

Mr. C. N. Krishnasawmy Iyer moved the next Resolution, which was in these terms :—

"That this Conference is of opinion that the interpretation put upon section 34 of Act II of 1912 by the Board of Revenue, construing objects of common good to the members of Societies as objects of charity falling under and defined in the above section, and as being liable to the restriction of not absorbing more than 10 per cent. of the balance of net profits after allocation to the Reserve Fund, is both erroneous and opposed to the spirit of the Act."

M. T. R Sreenivasa Iyengar seconded the Resolution and it was carried.

SECOND DAY.

Further Resolutions.

The Conference re-assembled at noon on the 22nd. The Hon'ble Mr. A. Butterworth, I. C. S., Member of the Board of Revenue presided.

Perpetuation of Old Debts.

Mr. T. Audinarayana Chettiar moved the following Resolution:—

"That this Conference desires to impress on Panchayats of Co-operative Societies that the perpetuation of old debts by

renewals and book adjustments, without insisting on re-payment or gradual liquidation is altogether opposed to the aims of co-operative credit, and that Panchayats should, therefore, insist on punctuality in repayments, and that they should also assure themselves that the purposes for which loans are granted are of a character to help the borrower in liquidating the loans."

Mr. Aiyakutti Iyengar seconded the Resolution.

The Resolution was then put to the vote and unanimously carried.

Outside Indebtedness.

Mr. M. P. Ramanujachari next moved :—

"That this Conference considers that it should be the definite aim of Co-operative Credit Societies to reclaim their members from outside indebtedness, and that to this end systematic and effective measures should be adopted, so as to afford all the facilities which the members may need."

Mr. Purushothaman Nambudiri seconded the Resolution in a Malayalam speech. Mr. Apathsahaya Iyer supported the Resolution.

The Resolution was carried.

Audit and Suspension.

Mr. O. M. Venkatanatha Iyengar next moved the following Resolution:—

"That this Conference is of opinion (1) that the agency on which ultimately must devolve the effective supervision of co-operative Societies is that of Unions and Federal Banks; (2) that unions should be rapidly formed; (3) that wherever practicable Federal Banks also should be started in Districts; (4) that progressively with the formation of Federal Banks and Unions, the audit and supervision by the State may be contracted, the State retaining only powers of general test audit and of compilation of statistics, in addition to rendering assistance to the Federal Banks to form Unions; and (5) that till Federal Banks and Unions are formed to cover the ground fully in a District, the State should maintain an adequate staff for doing the present inspectorial work."

Mr. Venkatappa Iyer seconded and Mr. A. Rangaswamy Iyer supported the Resolution, which was unanimously carried.

Contributions for Audit Services.

Mr. Shiva Rao, of Puttur, next moved the following Resolution:—

"That this Conference is of opinion that no contributions should be levied by the State under present circumstances for audit services now rendered by the Government staff."

Rao Bahadur Y. Narayana Rao seconded the Resolution.

The Resolution was carried.

Co-operation in School.

Mr. S. Satyamurthi, next moved the following Resolution :—

"That this Conference is strongly of opinion that the subject of co-operation should be included in the curricicula of studies of Elementary schools in the Presidency."

Mr. Sundarasa Iyer, of Puddukottah, seconded the Resolution.

Mr. P. Marghabandu Sarma also spoke to the Resolution, which was then unanimously carried.

A Special Qualifying Test.

Mr. T. Audinarayana Chetty next moved the following Resolution.—

"That this Conference considers that a special qualifyingt est should be instituted for Inspectors, Auditors and Managers, etc, employed for examining, auditing and managing Co-operative Societies, so as to ensure fair grounding on their part in a knowledge of co-operative principles, accounts, etc."

Mr. Krishnappa Naick seconded in a Tamil speech.

Rao Bahadur Y. Narayana Rao supported and the Resolution was then unanimously carried.

Co-operative Propagation.

Mr. K. Ramasawmy Iyer then moved the next Resolution, which was as follows:—

"That this Conference considers that the time has arrived for the establishment of a permanent representative Standing Committee to propagate the principles of co-operation, to organise Co-operative Societies, to watch over their interests and to do all that may be necessary for placing the co-operative movement on an efficient basis in the Madras Presidency. That a Committee be appointed to carry out these objects."

Mr. Venkatachariar seconded.

Mr. V. S. Ramasawmy Sastri moved an amendment to the effect that the Sub Committee do form itself into a permanent organisation Committee, to carry out the objects indicated in the Resolution.

The amendment was accepted.

The resolution as amended was then put to the meeting and unanimously carried.

Restrictions on Government Servants.

Mr. R. Lakshminarayana Iyengar next moved the last Resolution, which was as follows :—

"That this Conference strongly urges on Government the desirability of withdrawing the restrictions in certain respects placed on Government servants, who draw a salary of more than Rs. 35 per mensem, in dealing with Co-operative Societies."

The Resolution having been seconded and supported was carried.

The Indian Trust Act.

Mr. V. K. Ramanuja Chari then proposed that the Indian Trust Act be so amended as to enable the trust funds to be invested in Co-operative Societies. It was explained that at present the High Court had power to permit of trust funds being invested in Co-operative Societies, but what was wanted was that a Bye-Law should be introduced giving general permission to do so.

The Resolution was duly seconded and being put to the vote, was carried.

It was next resolved to take as read the papers contributed to the Conference, and print them and circulate them among the delegates.

The Hon'ble Mr. A. Butterworth.

The Hon'ble Mr. A. Butterworth, in bringing the proceedings to a close, said that it was with feelings of great gratification that he received the invitation to preside at the Session. The Conference was the first of its sort that had been held in Madras and he hoped that it would prove only the first of a yearly series.

He had read with great interest the papers contributed to the Conference, and he had listened to a number of eloquent speeches in the course of the day. In all of them the speaker thought there was a general tendency to criticism, and there were also numerous suggestions that had been put forward for improving the future of the co-operative movement in this country. This was really as it ought to be, since it would be a fatal mistake to go to sleep content with what had already been done. At the same time what after all had they done? Doubtless it was true that they had no need to be pessimistic, and this was how they stood. Madras came fourth as regards Urban Societies and third as regards Rural Societies. In total membership they stood first, and the same was the case as regards working capital and also as regards deposits. They came seventh in the matter of state aid, and this was indeed a matter they could congratulate themselves upon. Thus it would be seen that in Madras they had done something in the cause of the co-operative movement.

In all they had in Madras 1,000 Co-operative Credit Societies. As Dewan Bahdur P. Rajaratna Moodelliar had pointed out, there were 33,000 Government villages in the Presideney. In order to meet the needs of the entire Presidency they would require at least 10,000 Credit Societies. To start 1,000 Societies which at present existed in this Presidency it had taken them seven years and the Chairman would leave it to the audience to deduce from that how much more remained to be done in the field of co-operation in this part of the country. Even as regards the number of societies, it was thus apparent they were still in a very backward condition. But apart from that, there were various other

things which made them feel not too sanguine about the matter. For instance, they had so far touched only the credit question. As they all new, credit co-operation was at once the simplest and the most attractive branch of the movement. Unions, which were so important, had advanced very slowly indeed. Important subjects such as the question of supervision and audit were all in a transitional and unsettled condition, and the future arrangements of societies needed most careful consideration. There were also deficiencies in the *personnel* of the existing Panchayats. Thus they had a great deal to do, even before they could congratulate themselves on having put credit co-operation in this Presidency on a satisfactory basis. Apart from work in the branch of credit co-operation, they had done no work in other branches. In agriculture they had a very promising field for co-operative work and very important papers on that subject had been contributed to the Conference. The Chairman hoped that the Permanent Committee that had been appointed would do all that lay in their power to promote co-operation for agricultural purposes.

A Vote of Thanks.

A vote of thanks to the Chairman was proposed by the Hon'ble Dewan Bahadur M. Audinarayaniah, and the proceedings then terminated.

SUMMARIES OF PAPERS.

The following are summaries of papers submitted to the Conference and which were taken as read:—

Supervision.

Dewan Bahadur R. Ramachandra Rao, B. A. (Collector of Nellore and formerly Registrar of Co-operative Societies, Madras) contributed a paper on "Supervision," in the course of which he said :—

Before stating what should be the lines of progress in the immediate present, I shall sketch what I think ought to be the ultimate scheme of supervision. In doing this I give up the certain ground of experience and achievement for the airy heights of speculation. I know that in the field of co-operative work

depending as it does on man with his infinite variations of intelligence and morality, it is wrong and impossible to look beyond what our own eyes take us to. Still I venture to sketch a final scheme and it is with a view to lay emphasis on what I consider should be the lines of progress in the present. Immediate progress will be of several kinds and on several lines on account of the varying stages of present development. If I describe the present, I shall have so to hedge round my propositions with limitations that I may not be understood. The final scheme is an ideal to aim at and approximate to. It is immaterial how we approach it The lines of approach must be necessarily diverse. The great beauty and interest of co-operative work lie in its manifold aspects of activity.

Let us project ourselves forty years forward and confine our attention to one district, say, Chingleput. There will be hundreds of societies; in fact there will be no village without one. Each society will have a habitation of its own. The members will be allowed cash credits and will have merely to walk up to the counter to draw money for any useful purpose within the cash credit allowed without the tedious formality of a Panchayat sanction to a specific loan. Of course the Panchayat will have settled at its meetings the maximum amount of cash credits. No villager will ever dream of himself storing and safe-guarding his cash. The society strong box serves as the common treasury of the whole village. Into it all the money of the village flows ; and from it goes all the money required for the villager's expenses.

One section of the society's building serves as the village stores. In 1912 the co-operative movement was one-sided dealing with credit only and ryots had not learnt to combine for purchasing their necessaries. Forty years have made a great difference. Stores have sprung up everywhere. They are managed by a separate Panchayat and are successfully catering to all the needs of the village population. It must be remembered that the people by practising thrift for several years have become well-to-do and their wants have increased with their wealth and the times.

A third section of the building concerns itself with pooling together the productions of the village. At one and the same hour

precisely there is a considerable bustle. All the surplus village produce—eggs, milk, ghee—is brought in and sent in special receptacles to a favourable market like Madras. Adjacent villages by adopting a time table and adhering to it are able to minimise the cost of transit and the accumulated produce pours itself into Madras with the regularity of clock-work. Once a week all the cloths woven in the village are dealt with similarly and at certain seasons of the year likewise the crop products such as horsegram, cotton, paddy groundnut etc. The society own scarts and draught cattle to transport its goods. Societies also exist for insurance of crops and livestock.

In a fourth section of the building the village school is held. The villagers have realised that education was essential to the correct appreciation of the principles of co-operation. A feeling that it is a disgrace to possess an uneducated child—boy or girl—has established itself. The schoolmaster is paid most probably by the grant of the use of suitable communal land.

The fifth wing accommodates the village club. People feel that they require recreation. Increased means and the disappearance of factious feelings render social intercourse a pleasure and a necessity. This is often the scene of dramatic performances, harikathas, popular lectures and so on.

The above is my picture of a village after 40 to 50 years of co-operative life. Co-operation in credit distribution and production has established itself with resultant effect on education and social intercourse. The middleman has been eliminated. Those persons who do their duties are of course remunerated, but the producer and consumer feel they get the value of their labour. All the thousand and one transactions necessary for the successful carrying out of so many functions are supervised by respective Panchayats. These Panchayats work successfully because of their unrivalled knowledge of local details and their experience, coupled with the double feeling that, as no appeal lies out of the village, they are responsible and, secondly, that they themselves have to suffer if anything should go wrong.

Assuming that the above sketch is to be our ideal, the problem is—and this is the most important problem to-day for us and

for the practical administrator—how to reach it. The ways for solution are diverse. What is suitable for one locality may not be the best for another. But it may be generally stated that we have done fairly well hitherto and adding new methods as experience widens we can certainly go forward with our present method without hesitation. I shall now suggest what I think ought to be our immediate work and define the agency to be employed.

To obtain applications for societies (that is, to preach to villagers and induce them to form a Society). This must be *(a)* in taluqs having less than 10 societies, by State Inspectors. It is true that co-operation has become very popular but if you look at a map with societies dotted therein there are vast areas of the Presidency yet not approached. Even pioneers of co-operation are wanting. As elsewhere the work must be done by the State. The blessings of co-operation are so great that it is the duty of the State to extend it when it otherwise would not spread. (*b*) In areas where if societies be formed they must be affiliated to an existing union, by union supervisors, (*c*) In districts with federal banks, by federal bank staff. (*d*) Honorary organisers and co-operators' societies should be freely used. In virgin areas they should be subsidised by the State and as development progresses the subsidies should cease.

To register societies and start them on their work (after the applications are accepted by the Registrar, official or non-official) will be by (*a*) where the society if started should necessarily affiliate itself to an existing union, by the union supervisor; (*b*) in federal bank areas, by the federal bank staff; *(c)* elsewhere by the State; (*d*) if central banks employ outdoor inspectors, their services may be used for the purpose; (*e*) honorary organisers are not of much use to start societies.

The activities of co-operation are so many that I should be the last man to say it is possible to lay down rigidly what should be done for a number of years to come. A man here ; a failure there ; a change of Government policy will give a new turn to the tide. But it is best to have an ideal to march to and that ideal as it existed on the 1st March, 1911, I have described there. This

paper will at least serve as a page of history and serve as a basis for discussion. And it will be false modesty on my part not to emphasise the fact that on that day I was the person most conversant—not with co-operation—but with the lines of progress in the Presidency. And it is a duty I owe to the public to write down my experiences and speculations. The future will alone show how far my speculations become concrete realities. I sincerely hope, however, that the Government will continue for a few more years —three or four more—a liberal policy of recruiting State establishment. After all the State cost is not much and is justified in view of the results; this has been admitted by Government itself. If Government desires to stop the increase of establishment more rapidly, all that is necessary is to push on a scheme to start federal banks. Three districts to-day are ripe for federal banks or will shortly be. Open a few more societies there and they will be ripe in a year at the outside. No inspectors need thereafter be maintained in such districts and the men thus released can be concentrated for work in individual districts so that federal banks may be rapidly formed. This will mean of course stoppage of legitimate progress in other districts but after two or three years there will be no call to increase the Government inspectorate. If Government expects an all round developement, the establishment should continue to be freely strengthened but almost the whole of it can be dispensed with from 15 to 20 years time. I can cite figures and recite experiences to strengthen my positions, but the paper is already long, and I have contented myself with bare argument and recital.

MORAL INFLUENCE.

Major G. H. Badcock, of the Hosur Remount Depot, Mattigiri, Salem District, contributed a paper on the above subject, of which the following is a summary :—

"By co-operation man is enabled to bring forces to bear at a given point that are many times greater than his own unaided powers."

Such is my text and such the subject in which for a brief space it is my desire to interest you. Partly from a desire not to

preach a sermon, partly to avoid appearing too didactic, and to give a wide berth to those pitfalls known as statistics, I cannot do better than relate my experiences in narrative form giving such deductions as I have been enabled to draw.

Five years ago I was a complete stranger to Southern India, 15 years of my life had been spent in the Bombay Presidency, United Provinces and the land of the Five Rivers, and I had never before been further south than Calcutta.

It may be imagined, therefore, that my feelings were somewhat mixed when I was given a fortnight to pack up house in one place and open it again the best part of 2,000 miles away, amongst a people whom I had never seen before and whose tongue was foreign to me. Simple practical sanitation is a fairly easy beginning, but then it leads to other things. What good, for instance, is it to give a family a good roof over their heads if the father comes home drunk after work and throws the baby out into the rain? When side issues of this description crop up you begin to wonder *how* you are going to prevent the baby being put out into the rain and make no error, you will have thought very hard before you find a solution to that apparently simple riddle. Punish the man did I hear somebody say, yes but how?—Fine him you reply, but you must be the veriest child if you think that is going to stop him drinking; and what happens instead, either the man steals to supplement his diminished income, or else (what is far more common) he lets his wife and children go short to find the wherewithal to slake his unnatural thirst—and yes, that child is still sitting out in the rain and you have got to get him indoors and keep him there. Personal influence did I try with fair to moderate success, but the backs lidings were too many and too frequent, and after more downs than ups I realised that unless one could offer something more solid and tangible than advice, talking was pure waste of time.

With most folk drink starts by being a hobby and ends by becoming a disease, and so I argued if I can only catch the youth on my village young enough before the foul monster Disease has too firm a grip on them my object will be accomplished. And so it came about that I made inquiries of a friend, a man who owned houses in our village, and found to my delight that not only was

he too interested but was even a Director of a neighbouring co-operative society and to him, Mr. Ramasawmy, I owe a deep debt of gratitude for all the help he gave me.

After the necessary preliminaries I did not waste a day in trying to get our bank started, and here in passing I must be forgiven if I say that that was not as easy as falling downstairs in the dark. While quite alive to the fact that the society is undermanned and without unduly criticising I *do* think that any community who express the desire to start an Association should meet with prompt and immediate support—the old Latin proverb which says "he gives twice who gives quickly" is no where more applicable; and surely it is not to be expected that the ordinary Indian villager with no suffering behind him will make very much of an effort unless his requests meet with warm as well as prompt encouragement. So I hope the powers-that-be will forgive me if I urge on them the necessity of having a fully equipped staff to deal with matters of such vital importance to the community at large.

As soon as the legal formalities were gone through, the bank came into being, and all of us in authority bought a few shares to give impetus to the movement. The one point I was insistent on was that the Board of Directors should be chosen from among the people and by the people and that the dominating influence of any one man, which is in direct opposition to the principle of co-operation should be rigidly excluded. So, beyond giving the boat a good push off, encouraging it when it made little way against the stream and exhorting all to join in making it a success, I have had nothing whatever to do with its management or business. The result will be when I leave here next month the bank will proceed on its course on well oiled wheels. To turn to statistics for one moment before touching on the moral side of the question, our bank has been in existence for about a year, there are just on 600 members out of a total population of under 3,000 and Rs. 9,000 in the bank, and when you realise all that means and how many of those 600 would ever have saved a pie, if the inducement had not been there, well, you can hardly be surprised if we are justly proud of our village bank.

I cannot exaggerate the untold good it has been to the many individual members who have joined it. Wherever I had a boy who was going on the drink tack, either I got hold of him myself or made his immediate superior do it and pulled him back into the paths of virtue. It sounds almost incredible, but some of my biggest ruffians that were are now amongst my steadiest lads—instance after instance. I could give you to prove the statement that the great god Thrift will, if skilfully engineered, strangle the great Demon of Drink, and you cannot appreciate the difference this makes in a village which formerly used to pride itself on its nightly revels and obscenities, unless you have lived here and seen this reform gradually come about. I have harped on this drink question and indeed it is one which cannot fail to strike any observant person, nay more, it is so serious that it cannot be any longer neglected. The old cronies who totter to the toddy shop every day are hopeless, and regard them as not worth worrying about, but they are in a minority and the drink bill of Southern India, including as it does among its subscribers nearly as many women as men, is a hamadryad which, if not itself strangled, will strangle those it embraces, and yet, if it were resolutely tackled, half the crime in Southern India would disappear.

The very class who might help most help but little and by those I mean all employers of labour great and small—many of them, let me hasten to add, most kind and indulgent masters and yet, believe me, it is just this kindness, just this indulgence which is often such a mistake and which is so abused. I wonder if it has ever struck any of them that every house, every establishment, be it ever so large, or ever so humble, whether it consists of 400, 40 servants or but four can each have its own co-operative society, every householder can interest himself or herself in the *personnel* oftheir establishment, if they are in debt see that so much a month is paid off till the debt is cleared and then start a banking account, encouraging them when a certain amount is accumulated to invest it in land or a house. If every one who had any establishment were to do this, think of its far-reaching effects and the reflection of this on the moral welfare of the people generally needs an abler pen than mine to depict. Of course, I can hear such a scheme described by the scoffer as a second Lloyd George's Insurance Bill,

whereas it need be nothing of the kind. The trouble with that statesman's bill is not in its conception, which is excellent and for which I have the most warm-hearted approval, but the manner and rashness with which it has been hurried into being and foisted on a conservative people. Our poor at home need teaching thrift just as much as the poor out here and what a lesson we can learn in this respect from the French; 40 years ago France was crippled and yet stands to-day with the richest peasantry in the world simply because her people are naturally thrifty and lay by wisely to make provision for old age.

What a wonderful thing is co-operation if we do but analyse it, and can you take a better example or can you learn a more useful lesson than from my own little village of Matigiri! Five year ago I was worried to death by the evils arising out of a (for the most part) drink-sodden population; to-day it but seldom crosses my path—I would not for one moment give you a false impression. There is drink in our village yet; yes, indeed a great deal of it: only I argue that it is about 80 per cent. less than it was a short time ago, and to what is it due? Why, surely, you see that co-operation succeeded where I most miserably failed. My threatenings, my punishments, my blandishments, what were they and of what avail? Yet, in one short year, co-operation has done more to bring about the desired result than all the puny efforts of one man would have accomplished in ten, and most of the babies who worried me so by being out in the rain are now safely in doors under a good roof. In conclusion, I return to the words of my text which in a humble way, I have tried to prove, that "by co-operation man is enabled to bring forces to bear at a given point that are many times greater than his own unaided powers."

SOME CO-OPERATIVE DEFECTS.

Dewan Bahadur L. D. Swamikannu Pillay, Registrar of Co-operative Societies, Madras, contributed a paper on the above subject, of which the following is a summary:—

The need of co-operative education is one of our most urgent needs, and I wish to show you how that education can be carried on without travelling beyond the bye-laws of the Societies. Education is

of two kinds—indirect, where the mind is subjected to certain influences without being conscious of their presence, as when moral stories are told to very young children with the object of influencing them in later life; and direct—where the mind of the learner is directed, through the faculty of attention, to certain principles and he is made to remember them as far as possible in shaping his own future conduct. Both kinds of education should go hand in hand in order that either may prove effective; and I think that in order to make co-operative education effective we should not only illustrate the by-laws by reducing them to practice but also occasionally draw the attention of members to their inner meaning and further scope. For instance, our strict rules about punctuality are honoured by many a Panchayat more in the breach than in the observance. If you complain to them that a particular borrower has not paid his instalment for four months after it was due, the answer will probably be:—"But the man will not run away with the money. Even if he did, he could not run away with the land which he has pledged as security. The man is good for any amount of money, but he finds it somewhat inconvenient to pay it just now. The sowcar would not mind four months delay. Why should we?" It would be well to point out in reply not only that punctuality is the soul of business, and unpunctuality the death of it, but to illustrate the latter truth by supposing the transactions to be transferred to some other line than credit. "If A, B, and C join with ten other persons as a co-operative society, not for credit work, but for purchasing or selling things in common, and supposing A, as secretary to the society, promised to deliver goods to a customer on a particular day, and actually delivered them four months later, do you think that such a society could exist for a single day?" The principle of punctuality is enforced in credit work not for the sake of credit work alone, but for its eventual use in the higher walks of co-operative life in which it is hoped that the credit society of to-day will engage at some future time. Let us next take the rules about truthfulness, *e.g.*, that a member should not deceive his society, that he should truly declare the purpose for which a loan will be used by him, and that if he does not use it for that purpose, he is liable to be expelled. To most Panchayatdars these rules are a veritable puzzle, and it passes

their comprehension why a man who borrowed a certain sum of money in order to purchase land should not be allowed to buy a house instead without telling the Panchayat. But take the society to a higher sphere of operations and suppose it had to deliver cotton of quality A, and it delivered instead cotton of quality B, "not the same but just as good," how long do you think people would be willing to deal with such a society? The principle of truthfulness, always imperative, becomes a dire necessity when a co-operative society engages in buying and selling. An individual tradesman may occasionally deviate from truth and not be the worse for it, but a society collectively could not exist for one moment with a set of officials who were careless about truth in the matter of buying and selling.

It is the same with any other by-law, for it will generally be found that the spirit of a by-law is far more comprehensive than its letter and is applicable to a much more extended series of operations. The by-laws about deposits and about the holding of meetings whether of the general body or of the Managing Committee, are all drawn up in the same spirit of general applicability, and the society which offends the least of them on its credit side will suffer incalculable loss if the same neglect is perpetrated on the distributive or productive side. Regular meetings of the general body are everywhere the great safeguard against speculation on the part of the Managing Committee, and credit societies which are inclined to treat the rules as to general meetings as a dead letter should be asked to transfer themselves in imagination, to productive or industrial work. However careful the managing committee may be, the general body cannot afford to exempt it from the kind of supervision which is exercised by shareholder's meetings. I have no time to go into all the by-laws, but there is scarcely one of them that will not be found, on examination, to contain the germ of a more extensive, as well as a more intensive, business (if I may borrow a metaphor from agriculture) than credit. By using them as instruments of co-operative education we shall not only obtain a thorough and progressive development of credit but we shall gradually train the members of our societies for that agricultural and productive work which His Majesty the King-Emperor desired so much for the country.

The next co-operative need to which I shall advert—I intend to speak to you of only two such needs to-day—is the training of the Panchayat. The by-laws state that the Panchayat, composed of three, five, seven or nine members, is entrusted with the executive work of the Society, that they should meet frequently to dispose of applications for loans and extensions, watch over collections, sanction contingent expenditure and pass the accounts of the society as prepared by the secretary. The nature of a Panchayat's duties is such that very little of their work appears or rather can be judged, on paper. The minute-book may state that the Panchayat met on so many occasions, passed such and such Resolutions, sanctioned so many loans, and may contain time after time, the signatures of all the Panchayatdars, and nevertheless all this may mean nothing.

That control itself should generally aim as much at directing and training the Panchayat as at checking the secretary's work and his accounts in the presence or absence of Panchayatdars. I am afraid that in our inspections of societies we seldom seek out the Panchayatdars and question them as to the manner in which they discharge their responsible functions. Yet, it is not by merely questioning them that we can hope to train them effectively. We should enter into conversation with them, get them to talk about the affairs of the society, elicit their knowledge of individual borrowers and their solvency, find out whether they have refused loans or extensions and generally make them alive to the spirit as well as the letter of the by-laws. Weak Panchayats should be strengthened by recruitment, and hopeless Panchayats should be entirely recast. In short, a little reform effected in the Panchayat is equivalent to a great reform of the society, and our inspection and control of a society should be animated by the same principle which actuates a physician when he operates on the human system through its vital organs. I do not deny that, at the beginning of our operations, when it was necessary to overcome general distrust and enlist the public sympathy we thought it prudent to conciliate the members of societies by offering them in the first instance limited liability and gradually familiarising them with unlimited liability, leaving the minutiæ of Panchayats, responsibilities for future and subsequent elaboration. We have arrived at a stage, however,

when we can afford to be more, and cannot afford to be less, exacting. Our future work will be judged less by quantity than by quality, and I cannot suggest any better means of improving the quality of our work than the two which we have been engaged in considering to-day namely—(1) enforcing and elucidating the spirit as well as the letter of our by-laws; (2) training our Panchayats.

Agricultural Co-operation.

Mr. H. C. Sampson, (*Deputy Director of Agriculture, Southern Division, Trichinopoly*), contributed a paper on the above subject, of which the following is a summary:—

Agricultural co-operation has been advocated by the Agricultural Department for sometime past as one of the main lines on which agricultural associations should work; but beyond this it is quite new to the Madras Presidency, if not to India in general. It is, therefore, to other countries that we must look to see in what direction this has developed. Such development naturally varies with the natural resources of the country, but in the main there are three classes of co-operative societies; *viz.*, (1) for purchase; (2) for sale and (3) for production. It is proposed to discuss the subject under these heads and to try and indicate on what lines agricultural co-operation might commence in Madras.

There is every evidence that there is need for agricultural co-operation in this country. With the expansion both of intensive and extensive cultivation, local resources are often taxed to the uttermost to supply the needs of the farmer. Even now he is often dependent on outside resources:—*i.e.*, outside his own neighbourhood, and as time goes on he will become more and more dependent on outside. This naturally leads to keener competition and a consequent rise in the price of the commodity required, and thus the farmer will have to protect himself by means of co-operation when effecting the sale of his produce, and in some cases he may even have to alter the style in which a particular commodity is placed on the market. There thus seems to be a scope for all these three classes of co-operation. The most important items which the farmer has to purchase are:—(1) Manures; (2) Seed; (3) Feeding stuffs for his cattle; (4) Implements and (5) Draught animals and livestock.

The question of the manure supply of this Presidency has become much more acute within recent years. High prices have not only encouraged farmers to spend money on manures in order to obtain increased yields, but it has also put much capital into the farmer's hands and large amounts of money have been spent in land improvement, such as in sinking wells, reclaiming lands for wet cultivation, all of which improvements mean a much greater demand for manure. High prices have again led to an expansion of dry cultivation which has in many places curtailed grazing areas, and has, as a natural consequence, curtailed the supply of cattle manure as well as of green leaf manure. As a result much greater reliance is now placed on other sources; municipal manure, slaughter house manure, tannery refuse, poudrette etc., have now a considerable market value—very much more so than a few years ago.

In the purchase of oil cakes, co-operation is very necessary. At present the ordinary merchant stocks cake, but has many risks to run; he has no means of gauging the demand and it is natural, if the supply falls short of this, that his price will suddenly rise, while, in any case, his prices must be such as will cover the risk of short sales. With co-operation, not only would the middleman be done away with, but the association would know how much each member is prepared to buy and could then call for tenders. In the same way in the purchase of green manure seeds, much might be done by co-operation. Although many farmers do carefully preserve their own seed supply from one year to another, there is a large proportion of the farmers of the country who have to buy each year, and for this purchase they are solely dependent on what the merchant in the bazaar gives them. There is no reason why by means of co-operation, a society should not be able to grow their own seed. The original improved stock might be yearly obtained from the Agricultural Department and grown by the society on a field scale to supply their own requirements, and the balances, could be sold at a profit as seed. In the future there seems to be no doubt that the farmer will have to expend money on feeding stuffs for his cattle. The rapid rise in the price of cattle has already been followed by more careful feeding, and it is the interest of the farmer to keep his animals in good condition in order that he can get the greatest return for the capital invested in them.

Now, concentrated cattle foods often have to be imported from other tracts such as cotton seed, groundnut cake, bran, etc., and any one who has studied the local prices and seen the samples for sale will agree with me that very much could be saved both as regards quality and price by co-operative purchase.

Up to the present time, the demand for improved implements is limited, but the farmer is beginning to find out that more efficiency is required in his implements to compensate for the higher rates which he has to pay for manure, draught cattle, feeding stuffs and agricultural labour. Unless one has seen the agriculture of other countries, one does not realise how extravagant the farmer in India is of his labour and motive power. The country plough although it can do good work if used properly, entails a great waste of bullock power and labour. Anything from two to five ploughings are considered necessary to get dry land into a sufficient tilth for sowing a crop, while as good results could at any time be obtained by a single ploughing and cross ploughing with a mould board-plough suited to local conditions. Look at the saving in cattle power and labour. That this is not done in Madras is chiefly because the farmer has not yet conceived the idea that his implements should be any other than can be made locally at a trifling cost. He will often pay Rs. 150 to Rs. 250 for a pair of bullocks, but grudges paying more than Re. 1-8 or Rs. 2 for a plough. It is not only in ploughs, but in many other things that the farmer requires more efficient implements, such as implements for inter-cultivation, harvesting, winnowing, etc. This demand is, therefore, bound at sometime to come, and when it does, then co-operative societies could be most useful in stocking or becoming sub-agents for implements and spare parts, issued, if necessary, on security loan.

As cultivation extends and as it becomes more intensive, the individual farmer will, in the future, have to look to breeding his own cattle much more than he does at present. How many thousands of farmers are there at present who have to make the best they can out of old and worn-out cattle, when they know full well that the food given to them could be much better utilised by younger animals. Young animals, however, cost a lot to buy, but one finds all over the Presidency that it is the petty ryot who

can afford to and does rear the best cattle. Thus it comes to this that in the future there will be much more home breeding of cattle than there is at present, mainly for the supply of good animals, but also for the manure supply made by the breeding herd. Now the question of breeding is one which requires co-operation. One of the first principles of breeding is to see that the female stock are served by a good sire, and I expect that in the future it will be to co-operative societies that one will have to look for the maintenance of good breeding bulls. At the present time this may seem Utopian but looking at the development of such a form of co-operation in other countries, it is by no means an improbability; especially when in other ways farmers have already been taught the value of co-operation.

There is an English proverb which says that "honesty is the best policy" and looking at the trade in commodities, especially the export trade, one sees time and again how India has lost one market after another owing to the adulteration of the commodity as it reaches the consumer. Now although there are dishonest farmers, I think you will agree with me that in the main the farmer in this case is the innocent sufferer, and it is the middleman who is the culprit. I have been told on good authority that at one time there was a considerable export from Madras of silk cotton, but as this fetched a better price than ordinary country cotton, the latter was used for adulteration, with the result that foreign buyers were shy of buying Madras silk cotton and transferred their patronage to Java where they were more certain of getting what they paid for. Why should not the farmer benefit by the higher prices paid for pure commodity rather than suffer loss owing to the fall in the market rate due to subsequent adulteration and deterioration after he has sold? There seems to be no reason why such rural societies should not work in conjunction with urban supply co-operative associations.

In other countries, one of the main lines of co-operative production is in the preparation of dairy produce and in Madras there are, as far as ghee is concerned, possibilities of working co-operative

village dairies. This, however, largely depends on whether the purchasing public are prepared to pay for the genuine article or whether they are content to continue using the adulterated article about which so much complaint is heard.

In the matter of selling oil seeds, there seems to be considerable scope for co-operation. At the present time, the farmer sells his seed and has to buy back again oil cake for cattle and manure; *i.e.*, he pays out from one pocket what he takes into the other. If, instead of selling the seed, only the oil was sold, there would be a considerable saving. Co-operatively purchased power oil-mills seem to have some prospects in the future. Similarly rice-mills, cane-mills, and possibly in the future, bone-crushing-mills.

Looking to the future, it seems possible that it will be from such agricultural co-operation that agricultural associations will arise.

The suggestions made above, if put into practice, require little expert agricultural knowledge. Most of it consists of purely business and commercial transactions; but it will, I believe, lead up to agricultural experiment for which the advice and assistance of the Agricultural Department will be sought, and it will be the means of bringing the Agricultural Department into direct touch with those who are anxious to effect agricultural improvement.

Co-operation and Agriculture.

The Hon'ble Dewan Bahadur M. Adinarayana Iyah contributed a paper on the above subject, of which the following is a summary :—

The co-operative movement can be beneficially applied to various handicrafts and industries, but its chief use to us lies in the field of agriculture, which is the predominant industry of this country. Agriculture is not a capitalist industry with us, for land is held in small holdings by an enormous number of small peasant proprietors. The economic condition of the agricultural population who make up nearly 70 per cent. of the total population of the country is in many respects an unsatisfactory one. The chief impediments to their progress are their general illiteracy and their poverty. The development of credit, which is the main purpose to which we have hitherto applied co-operative effort, is doubtless of considerable help to our agriculturists.

But the development of credit alone will not be sufficient to ensure stable agricultural prosperity. Relatively, the advantage of obtaining money on easier terms is a small one, and it may altogether prove ineffectual, if the agriculturists do not improve their position in other directions. Co-operation must be utilised not only in the department of credit, but also for the purposes of raising more valuable and more abundant crops, of using labour-saving machinery, of reducing the cost of production and the risks of pests and droughts, of ensuring a high standard of excellence for the produce, and of organising for its sale with such safeguards as will enable the agriculturists to obtain the largest measure of profit to themselves. In a word, co-operation must be applied to the branches of production and intensive cultivation and of organised distribution.

The experience of European countries shows that it is by the use of highly organised co-operation in the more important fields of production and distribution, that the prosperity of agricultural classes in those countries has been placed on an enduring basis. Co-operation in these departments has thrown credit development into the shade in some of those countries.

Though I am thus of opinion that the time is not yet ripe for any large development of co-operation in matters of production and distribution, I admit there may be localities and tracts here and there in which these higher forms of organisation will find suitable environment.

But the credit societies can certainly be utilised as agencies for dissemination of a knowledge of agricultural improvements. The members of the societies are generally men deeply interested in agriculture, and the societies can be made the medium for conveying to them all the information connected with agricultural improvement, which the Government Department of Agriculture, or other agencies may make available for dissemination from time to time.

But I cannot help thinking that we can also actively promote the cause of agricultural improvements by forming special agricultural associations for the purpose. The Indian ryot is a very conservative individual. Extreme caution and timidity are his prominent

characteristics. He is ready enough to follow where an innovation has been demonstrated to be successful and to be within his means, but such demonstrations, to appeal to him, must be carried to his door. Demonstrations on Government farms do not convince him, for they are conducted on a scale and in a style which are very different from the conditions to which he is accustomed in his own village. The way must be led by one of his own class, and if the latter succeeds, he too will fall into line.

The conclusions I have endeavoured to put forward in this paper are the following :—

(1) That the higher forms of co-operative effort in the departments of production and distribution can only be slowly developed in this country.

(2) That co-operative credit organisation on a large scale is the first need of the country.

(3) That credit societies will not be a satisfactory medium for pushing forward agricultural improvement.

(4) That the Agricultural Department of Government also cannot, single-handed, achieve rapid results in this direction.

(5) That special local agricultural associations properly constituted, helped and guided, will be of incalculable assistance in securing rapid and enduring progress.

(6) That such associations may also where necessary be formed on a co-operative basis.

AGRICULTURAL INDEBTEDNESS.

Rao Sahib K. Vijiaraghava Chariar, Assistant Registrar, Co-operative Societies, Trichinopoly, contributed a paper on the above subject, of which the following is a summary :—

What should be done to relieve the ryots of their load of debt is to carry co-operative credit societies to all and every one of them. But the mere establishment of these societies will not have the desired effect. The proper kind of committee members should be found or made. They should be fully trained in their duties and

taught their responsibilities and be made to work their societies on strictly co-operative lines. Clear ideas of economy should be inculcated among the people in general and habits of saving should be engendered and fostered. Until then it may not even be prudent to help the ryots to extinguish their debts altogether. For it is the existence of debts that now serves as a stimulus to saving and a preventive to extravagance. When, however, co-operative credit societies are established everywhere in the presidency and when, through the agency of these, people become trained to thrift and into the habit of saving, then the much complained of burden of agricultural indebtedness will naturally get lightened. All friends of the ryots, the educated among them in particular, should come forward to spread the co-operative societies movement throughout the country. They in fact owe a debt to the ryots, having received their education at the cost of the latter and they should repay that debt. Here is offered a means of discharging their debt and let all those who will, avail themselves of it.

THE NEED FOR A PERMANENT CO-OPERATIVE ORGANISATION IN MADRAS.

Mr. K. Ramaswami Iyer, Secretary of the Madura—Ramnad Co-operative Bank, contributed a paper on the above subject, of which the following is a summary:—

The form of organisation that I would suggest is the one similar to the Agricultural Organisation Societies of England, Ireland or Scotland. Ours is to be a purely propagandist association for the present. The members of this society will consist of representatives from registered co-operative societies and individual members.

I would limit its functions to (1) the advocating of principles of co-operation and giving advice and assistance in the formation and organisation of properly registered co-operative societies in suitable places in this presidency; (2) organising federal banks and other central associations in various centres for the advancement of the common interests of registered institutions within such areas; (3) holding conferences and meetings at various places for the purpose of discussing subjects relating to co-operation; (4) the conducting of a journal in English and the Vernaculars treating of subjects relating to co-operation and agriculture.

The funds needed for the purpose may be raised by subscriptions and donations and by sale of books and journals. The administration of its affairs is proposed to be entrusted to a widely representative and well-organised body.

Mr. V. Venkata Chariar, Vakil, Conjeeveram, also contributed a paper on the above subject, of which the following is a summary:-

It is not my desire to set before me a far too ambitious an ideal. Tht spectacle of a large number of societies affiliated to a central one for mutual benefits, frequently discussing questions of principle and of methods to be adopted to reach a common goal is in itself a sufficient temptation to discuss the subject with great avidity. I am quite conscious of the limitations that we are placed in. A hurried survey of the work done in the West for the advancement of co-operative ideals makes us pause and enquire, whether consistent with the conditions obtaining in this country a less ambitious plan may not be set on foot in the near future for widening the utility of the movement and for giving it a permanence which it deserves. It is a peculiar circumstance in this country that mass education is not as widespread as it ought to be. The primary condition of mutual confidence and healthy combination for a common useful purpose even at a sacrifice is yet to receive wide and unquestioned recognition. It is true that the co-operative movement in this country is making head way, but I would hesitate to believe that, without extraneous help and advice, the societies will, for ever, persist in the strict adherence to the principles of co-operation and may not in course of time descend to the un-co-operative ideals of a joint stock company. Our foremost aim must be to heighten the value of the relation that ought to subsist among the members and societies *inter se*, in particular reference to mutual credit and social forbearance. "If ever," says an authority on co-operation, "a movement had cause to break through the barriers of national reserve, it is surely the co-operative movement." We therefore rely upon the spread of the movement as the panacea against our social evil. Not only from the point of view of economic development but also on principles of social harmony and peace we welcome the movement. What seems to me to be imperative just at present is that there should be an active and effective propaganda for implanting the ideals of co-operation in the minds of our people throughout the

length and breadth of the land. An organisation charged with the duty of collecting information on all varied aspects of co-operative business and of disseminating such information through suitable channels should always form an integral part of the great movement. The scope of the proposed organisation may therefore at present embrace:—(1) An active propaganda of co-operative principles and methods; (2) Collection and dissemination of all useful information; (3) Devising means and measures for the encouragement of studies concerning co-operation; (4) Opening new societies in unfamiliar areas; (5) Training men for supervising and if possible, for audit work. Most of the above objects can be achieved—(1) by holding annual conferences of all societies; (2) by the issue of a Journal containing useful information. (3) and by other means.

There can be no appreciable difficulty in bringing the first four objects within the arena of practical politics. But we tread upon more difficult and less easily solvable ground when we begin to consider the important question of taking upon ourselves the responsibility of organised supervision, and of periodical audit.

But, in so far as the question of audit is concerned, we are obliged to move rather cautiously. To attempt private responsibility in this direction will amount to misreading the signs of the times. Either it is a customary virtue or a necessary evil, the village folk lean more to Government audit than to a private one. This is probably because of their innate confidence in everything done by persons in authority.

It is not my idea that the proposed organisation should itself do any kind of co-operative business in the strict sense of the term. It must be purely propagandist in its inception. It must perforce be thoroughly representative of the varied interests of the co-operative movement in this part of the country. To this end, not only a select number of delegates from the societies, but also persons unattached to any society but who have done distinguished service for the cause should compose its general body.

How the proposed organisation should be financed is perhaps a matter of detail that need not be discussed at length. Suffice it

to say that attempts should be made to raise funds by subscriptions and donations. One thing we may hope for; if the proposed society does good work and eventually relieves the Government of a portion of their responsibility, we shall have gone half way with our demand for an annual grant from public funds. Till then we must rely upon subscriptions from members and munificence of the public.

DISTRIBUTIVE CO-OPERATION.

Mr. T. S. Subrahmania Iyer, Lecturer, Teachers' College, Saidapet, contributed a paper on the above subject, of which the following is a summary:—

The *sine qua non* for the dissemination of sound principles of co-operation is a band of capable and enthusiastic workers or missionaries of co-operation. The personal element goes a long way in ensuring the inception and progress of all human institutions and movements. And it may be said that the personal element is every thing in co-operation. For is it not the enlightened enthusiasm and far-sighted sympathy of such men as Raiffeisen and Schulze of Delitzich that has covered the whole of Germany with a net work of Rural and Urban bank and ensured the economic and industrial progress of the nation? The necessity for honorary and enthusiastic workers in the cause of co-operation has been repeatedly adduced by the Government as the primary condition of the success of the movement. More than the other phases of the movement, distributive co-operation needs most the strenuous advocacy of men imbued with a knowledge of its history and the methods and principles that have made it a signal success in such countries as England. For the methods of distributive co-operation are in most cases just the reverse of those characteristic of the ordinary business and industrial concerns of these times. And those who are steeped in the traditions and methods of ordinary capitalist business concerns can hardly appreciate those of the distributive co-operator. The distributive co-operator becomes his own buyer and seller while the capitalist merchant buys for others and sells to others. The former gets his things in increasingly larger quantities and as much as possible near the sources of production. Thus middlemen are dispensed with and better terms are secured by cash payments. But

the merchant more often than not builds his fortune upon credit purchases and credit sales. Secondly, the co-operative concern has an assured market for its ware, and consequently need not indulge in speculative purchases in anticipation of demands that cannot be foreseen. It has no need to attract customers to the shop by blatant advertisements, reduction sales and the like. Its wine needs no bush. But the capitalist merchant gains in a large measure in proportion to the publicity that he gives to his concerns and the encomiums he readily bestows upon his wares. Thirdly, the manner in which the co-operative society applies or distributes its profits can hardly appeal to those steeped in the traditions of capitalist concerns. The principle that they should revert either directly or indirectly to those that have contributed to them is one to which the trader cannot reconcile himself. Lastly, it is not expert knowledge of business that has made for the success of co-operative societies all the world over but honesty and readiness to serve the associations on the part of their members.

These being the characteristic points of disparity between co-operation and trade, it behoves those who are interested in the progress and advancement of the former not to lay great store by the ordinary and familiar methods of business. If it is the firm conviction of every well-wisher of this land that distributive co-operation if properly directed and engineered can do as much good to the people as co-operative credit associations, then we can do no better than leave the organisation of the former to men of leisure, enthusiasm and enlightenment, well versed in the traditions and methods of distributive concerns in general and at the same time free from a superstitious reverence for those of the modern business world.

If distributive societies are organised on proper lines in rural and urban areas they will serve to remove the difficulties that hamper the progress of the few existing societies in more or less comparative isolation. Though the honest aims of the existing distributive societies have been to ensure good supply of good things at reasonable price and to give good value for the money paid by the members still it is very doubtful if any of them has succeeded in achieving this end. For the one trying and vexatious problem with the existing distributive societies is the securing of uniform quality in regard to such articles as rice, oil and ghee,

The complaint book of these societies is always full of indignant and condemnatory reports about these commodities, though at the same time we hardly hear adverse comment in regard to prepared foods and oilmanstores from other countries. For, thanks to the business acumen and industrial capacity of the European manufacturer, who by standardising the colour, the smell and the weight of the food stuffs he exports to other countries, has made it impossible for our fastidious brethren to discern the scientific and refined adulteration that the chemical analyst alone can discover, the Directors of our distributive societies have been spared adverse comment in this direction. Though our friends have been too ready to complain about rice, oil and ghee none of them have been good enough to suggest practical measures for ensuring their better quality and freedom from adulteration. This only shows that it is as difficult for the members to tackle the problems as it is for the Directors to solve it. It is patent to every one that the work of adulteration is not carried on by the Directors and servants of distributive societies, but it is confined to the sources of supply. Consequently the most effective remedy lies in purifying the sources of supply or capture them in the interests of us all.

Mr. R. Lakshmana Iyengar, Assistant Secretary of the Madura Urban Bank Stores, also contributed a paper on the above subject, in which he arrives at the following conclusion :—

To give money to men who have none is the function of distributive co-operation. To enable men to bring up healthy children without being oppressed by the money-lender or capitalist or shopkeeper, to teach them self-help, thrift and honesty, to create harmony in life and to make men really helpful to their neighbours is achieved in co-operative stores. Co-operative stores have succeeded by rapid strides in continental countries. It is also found that a majority of stores have failed in the initial stages. It is only subsequently by experience in management derived from initial failures that they have attained to the present state of efficiency. So, let not distributive co-operation be discouraged by initial failures. If at all the co-operative movement must succeed, it must succeed by means whereby the distributive branch should be so successfully worked that the poorest man is enabled to see the beneficent results thereof by occasionally getting an

appreciable dividend without himself being conscious that he is earning money while buying in the stores. It is not long since the movement was started in this land. Ever since its beginning the movement in this Presidency has had the good fortune of its destiny being conducted and controlled by an array of sympathetic gentlemen among its Registrars and Assistant Registrars and there is no doubt that, under their guiding control, the movement will achieve greater strength and it is hoped that ere long with the active co-operation of gentlemen interested in the distributive branch wholesale Societies will be started in important centres and distributive co-operation will be made to serve the real purpose it is intended to serve.

MORAL EFFECTS OF CO-OPERATION.

Mr. C. N. Krishnasawmy Iyer, Secretary, District Central Bank, Coimbatore, contributed a paper on the above subject, the course of which he says:—

The prime movers of this Conference having thought fit [illegible] me to say something on the "Development of education and [illegible] life in villages by the agency of Co-operative Societies" or [illegible] have ventured to put it forshortness' sake "Moral effects of Co-operation." I proceed to do so with pleasure, for it seems to me that in the long run the moral benefits which co-operation can and does bring in its train, constitute the more enduring and elevating result thereof. Not that the material effects are to be despised or ignored—by no means. On the other hand, the material benefits of co-operation are so tangible, so comfortable and so attractive, that the framers of the Act, which is the basis of all these activities, seem even to have discouraged our working with any other view before us. Suffice it for our present purpose that the material advantages of co-operative work have now become quite patent and sunclear and to dilate upon them, at all events before a Conference like this, is superfluous. The thousand and odd Societies in this Presidency alone, with their membership and capital steadily increasing, speak to their material value more eloquently than any of us can do, and the business may therefore be trusted hereafter to move satisfactorily forward without trumpet-blowing of any kind on this account. But because this stage

has now been reached that is therefore just the reason why the moral side of co-operative work demands our serious attention and anxious thought and something has to be done for it without loss of time. For, you have it on the authority of one of the most prominent co-operators of England, and who has spent more than forty years of his life in strenuous co-operative work, that the weak point in English co-operative activities is that too much store has been laid by the money value thereof and that moral considerations should be made hereafter at all events to weigh more in guiding themselves forward. I hope it will be readily conceded that we do not need forty years of one-sided experience to rouse ourselves, and that we had better profit by the experience of others betimes and be wise.

CO-OPERATIVE WEAVING.

Mr. P. Ramachandra Sastri, of the Co-operative Weaver's Union, Conjeevaram, contributed a paper on the above subject, in the course of which he said :—

Co-operative methods applied to an industry revive it, and render the people engaged in it prosperous and self-reliant. This has been the experience in other countries. Here no serious attempt has hitherto been made to apply such methods to any industry. In supplying money to the people, which form of co-operation has been going on here during the last few years it should be said that it has been successful. The weavers have long been accustomed to help one another in warping and sizing. That was the extent that was necessary and possible hitherto, and there is no reason why they should not co-operate more largely now that necessity has arisen for it. Also our people have been accustomed to govern themselves in all matters that concerned the particular community without interference from others. Now the people have to make their living by weaving, and for this the competition of the powerloom goods has to be met; *i.e.*, the production from the handloom has to be rendered more constant, larger in quantity, as cheap or nearly so as the other goods. The weavers can, by combining together, and by securing the co-operation of the richer and educated classes, satisfy all these conditions. But by themselves they may not succeed. The output of a weaver

is limited by the sales that he is able to effect of his cloths. The merchant who ought to purchase them does not purchase all cloths immediately they become ready. The weaver lives a hand to mouth existence; and unless he sells the cloths he cannot get on. He has no capital of his own. He entirely depends on his sales. Therefore he very often sells his cloths below their cost price. Thus the first provision a Society of weavers has to make is buying in of the cloths fom weavers as they are produced and for the subsequent sale of them, as demand for them may arise ; *i.e.*, the necessity for the immediate sale of the cloth by the weavers should be obviated ; and a fair price secured to the producers. This arrangement will secure to the weavers a constant supply of work and fair wages. Such a Society can effect the sale of the goods thus gathered froom the looms of its members through the co-operation of Societies established elsewhere. Another requisite for cheap production is cheap yarn. Now it is supplied by retail merchants. If the Society should arrange to purchase yarn at wholesale rates, and retail it to its members, it will be an additional source of income to the weavers.

THE NEED FOR TRAINING.

Mr. T. Adinarayana Chettiar, Secretary, District Central Bank, Salem, contributed a paper on the above subject:—

No additional Inspection staff would be employed at State expense and as a result of this a state of affairs far from reassuring has resulted. In several places the societies have not been properly instructed in their work; not a few have developed unco-operative methods. The Registrar when approached, naturally has not the men to spare; but advises societies to group themselves into Unions and District Unions and employ their own inspectors supervisors.

Let us examine and see whether the remedy suggested by the Registrar is feasible and capable of immediate adoption. In the first place, let us see whether the formation of Unions and District Unions is such an easy matter as to be brought about in the course of a single night. Except in a few favoured districts, societies are so scattered that their number must be trebled or quadrupled before

they can be clubbed into Unions, an achievement that can be brought about only by the maintenance of an increased state paid inspecting staff for at least a few years to come. The next difficulty is this. Even granting for argument's sake that the societies can be formed into Unions immediately, are there the men with the requisite qualifications to serve as Union Inspectors and Supervisors? No. It must be plain to any one that the remedy suggested—namely, the formation of all societies into Unions and the devolving of control and supervision must be a matter of slow and gradual realisation, and that in the meantime, it is the duty of Government to continue the full measure of its support and protection in the interests of the wellbeing of the ryot population who form the real asset of the nation.

Having made this appeal to Government it now remains for me to discuss the steps that may be usefully adopted for the creation of a non-official supervising and controlling agency so that we may be prepared for the withdrawal by Government of its inspecting agency. To begin with even the panchayats of the rural societies require instruction for the carrying on of their daily work. A senior inspector should be deputed to hold classes of a day or two's duration at which shall be present the panchayat members of societies working within, say, a radius of five miles. As many of the members or even outsiders as care to attend should be invited to be present on such occasions.

The next step would be the training of group examiners and Union Inspectors. The course of instruction may consist of a general grinding in the principles of co-operation. Practical work such as writing up of accounts, auditing, the conduct of meetings, posting up of statements and the preparation of the balance sheet should form part of the scheme. The class must be equipped with a small library of books and report. The class may be conducted by one of the Assistant Registrars aided by a senior inspector.

The last step would be the formation of a class for the training of inspectors of societies, managers of central Banks and Unions and federation and of honorary organisers. This should be conducted by the Registrar himself assisted by one of the senior Assistant Registrars. The classes should be held in 3 convenient

centres like Madras, Coimbatore and Nellore. The course of instruction should be fairly extensive and of varied nature. The Registrar will keep a register of those who pass successfully through the course and try to find employment for such as seek it.

The scheme briefly sketched above will no doubt entail some expense to the state, especially for the first one or two years. But Government cannot ignore the economic importance of the co-operative movement which is in the words of the Registrar for Burma a 'national movement', in as much as it promises to strengthen the position of the agriculturists, who form a large majority of the population.

THE FUTURE OF CO-OPERATION.

Mr. C. Aruliah Naidu, Secretary of the Chingleput Co-operative Society, Kilacherry, contributed a Tamil paper on the "Future of the Co-operative movement in the Presidency with special reference to Chingleput".

What should be done henceforward is—(1) the number of Government inspectors should be largely increased; (2) even though the number of Inspectors are increased or not, Unions must be established and protection must be given to their constituent societies; (3) to facilitate the establishment of such Unions the Registrar should authorise the societies to invest their reserve fund in the Unions; (4) new societies should be established in such a way as to facilitate the immediate formation of Groups and Unions.

If the four facts mentioned above are accomplished the co-operative movement will gradually develop. When the people recognise the benefits of co-operative societies and desire for their establishment there should not be any objection for their registration. In Chingleput there are 187 societies. They are in all the 6 taluks. There are about 100 applications for new societies, pending in the Registrar's office. In the whole district there are more than 2000 villages. In order to know the benefits of the co-operative movement, societies should be started in each and every village of a district and the results observed. For such an examination, Chingleput District is the proper one. There are persons to conduct societies and there is a necessity for societies.

The people work also in union. As the societies are formed groups may be made. It is possible to form two or three Unions more, in addition to the already existing 3 unions. It is now possible to establish 10 societies simultaneously in one part of that district. It is not difficult to supervise the societies in that district. So, it is essential that provision should be made to register new societies. If it is tried to establish societies in every village, in 3 or 4 years something like 2000 societies may be formed. Each year should see an increased number of societies. As the societies go on increasing the Unions may be easily formed. When 10 Unions are established, a federal Union may be formed. These Federal Unions may be joined into a District Union. To do all this the number of societies should be gradually increasing.

THE SECOND TANJORE CO-OPERATORS' CONFERENCE.

The second session of this District Conference opened its sitting on the morning of 19th December 1912 at 11 A.M. in Sri Besant's Lodge which was well decorated for the occasion. There was a fairly large assemblage when the President elect the Honourable Mr. P. S. Sivaswami Iyer C.S.I., C.I.E., arrived at the hall, he being conducted to it in a procession. Most of the Societies had been represented and among those present were the Prince Dorai Rajah, of the local palace, Mr. L. D. Swamikannu Pillai, Registrar, Mr. V. K. Ramanuja Chariar of Kumbakonam, and Mr. Vijiaraghavachariar, Assistant Registrar of the Co-operative Societies. In the unavoidable absence of Mr. Swaminada Vijia Thevar, Chairman of the Reception Committee, through his high fever, Mr. T. A. Ganapati Iyer, Secretary to the Conference, read the Welcome Address on his behalf.

Mr. V. A. Vandayar then proposed the Honorable Mr. P. S. Sivasamier to the chair and it was seconded by Rai Bahadur Annasamy Thevar of Ukkadai. The President then took his chair amidst loud applause and delivered the following address:—

GENTLEMEN.—It is a source of great pleasure to me to be present here to-day and meet so many of you who are engaged in the noble work of pushing on the co-operative movement in this District. It has been my desire to meet those who are engaged in the practice of co-operation and to hear from their own lips an account of the progress achieved by the movement in this District, an account of the struggles they have had to go through, the difficulties they have experienced and their hopes for the future. I am gead of the opportunity you have given me, and I thank you heartily for your very kind reception to-day.

Gratifying Progress.

At the first Conference in this District which was held at Needamangalam, Mr. Rungachariar, the President, had occasion to lament the backwardness of this District in the co-operative movement. He regretted that this District, which had distinguished itself in numerous other ways, had failed to take its due place in this movement. But the record of last year is exceedingly gratifying. The number of Co-operative Societies in this District has more than doubled itself during the last co-operative year. I find that the number of Urban Societies has risen from 3 to 7 and that of Rural Societies from 21 to 43. Altogether we have now fifty Societies, while only 24 were in existence at the beginning of the year. Now there are only four Districts which are really ahead of us, namely, the districts of Anantapur, Chingleput, Salem and Trichinopoly. There have been special causes at work to account for the success of the movement in those Districts. In Anantapur, the success of the movement was due to Mr. A. S. Ponnusawmy Iyer, whose untimely death we all deplore. He was one of the most earnest workers in this cause. It was Mr. Ponnusawmy Iyer's intention, when he retired, to devote himself wholly to the cause of co-operation, and when he consulted me as to the sphere of his future operations, I suggested to him that he might choose his own District of Tanjore. Unfortunately, he has been removed from his earthly labours. But, even in Anantapur, the progress made during the last year has not been at the place at which the movement has gone on in this District. There were 126 Co-operative Societies at the beginning of the year in Anantapur and 26 Associations

were formed during the year 1911-12. In Chingleput the movement has attained great success, partly because that District was the cradle of the co-operative movement in this Presidency, and partly because the first Registrar of Co-operative Societies devoted a lot of his attention to the formation of Societies in that District. We find, however, the new Societies started during the year 1911-12 in that District were only 50 per cent of the number which was in existence at the beginning of the year. In Salem, again, there has been great activity owing to the vigorous activity of Mr. Audinarayana Chettiar. There were 15 Rural Societies and one Urban Society formed in that District in the last year. In Trichinopoly, as many as 28 Societies were formed during the last years. In none of the four Districts has there been such large percentage of increase as in this District. If we are able to maintain the same rate of progress, we shall at no distant date be able to overtake the other four Districts which are above us.

Success of the Movement.

There was a time when there was considerable doubt entertained as to the success of the co-operative movement. When it was first started in 1904, people had very grave doubts, indeed, about the suitability of the principle of unlimited liability, but, strange to say, it is the principle of unlimited liability which the Registrar finds has been most largely accepted by the people. It implies great mutual confidence among the members of the Societies and is some indication of the fitness of the people for co-operation. Two or three days ago, there was a telegram in the papers of a statement made by Henry Wolff that the movement had been a unique success in India. There can be no doubt that the movement has struck root, that it supplies a rural want, and that it will continue to grow in this country just as largely as it has grown in the countries of Europe.

Its Manifest Advantages.

I do not think it is necessary at this time of day to dwell upon the manifold advantages of co-operation or to point out the various directions which these Societies have contributed to the social welfare. What is now required is to take stock of the achievements of co-operation in each year to find out and avoid

the dangers which lie in its path and to consider in what directions new departures may be made with advantage. So far as the record of achievements goes, the Report of the Registrar, which I have had the privilege to read, discloses a most gratifying rate of progress. The number of these societies in the Presidency has very nearly doubled. It was 596 at the beginning of the year, and at the end of the year it was 972. The number of members has increased from 44,000 and odd to 66,000 and odd. The growth of the Reserve Fund is equally satisfactory. From Rs. 1,30,000 it has now gone to Rs. 2,95,000. Another outstanding feature is the large extent to which personal security has been accepted as the basis of credit. Out of the Rs. 28 lakhs lent during the year, more than Rs. 16 lakhs were lent on personal security. Another circumstance which is mentioned in the Registrar's Report, and which I regard as eminently satisfactory, is the attendance at the meetings of these societies, both General and Committee Meetings. Turning over the reports of the previous conferences, I found that both at Salem and here there were complaints made about the indifference exhibited by the members of co-operative societies in the actual management of their affairs. But during the last year very few meetings were adjourned for want of a quorum. The attendence in these meetings is so satisfactory that I wish the same interest were shown in the affairs of Municipal Councils and District Boards.

Financing Facilities.

Another satisfactory feature in the record of last year is the facility with which the various societies have been financed. In other Provinces such as Bombay, it has been necessary to resort either to State aid or State guarantee. But in this Presidency we have been able to get on without any such help, and at present the amount of aid received from the State to finance these societies is a negligible quantity. As to the mode in which these societies should be financed, there has been considerable discussion during the last few years. Gentlemen who have been studying co-operative literature in other countries have deplored the extent to which our co-operative societies have been dependent on outside support. I do not think that it is a matter which need cause any deep searching of our hearts. I certainly agree in thinking that it is desirable

that every one of these co-operative societies should find the finances it requires by attracting local deposits. While it is the correct mode of financing them, the resort to Banks or other societies must be regarded as a stage of evolution. It is certainly undesirable to perpetuate that state of things, but it is unavoidable at this stage, and if the help which is now given to co-operative societies by the Madras Central Urban Bank and the District Banks were to be withdrawn, I am afraid that several of the societies would have to be closed. At the same time, I have no doubt that you gentlemen, who are interested in this movement will not lose sight of the idea that every endeavour will be made to attract local deposits and encourage thrift among the members.

In this connection I may refer to the complaints with regard to the rate of interest that is charged by the Central Banks. The interest charged is somewhat higher than what the members of the mofussil societies would care to pay. On the other hand, is it not an advantage to deter the mofussil societies from resorting to the Central Bank? If the Central Banks charged an easy rate of 4 or 5 per cent., is it likely that any attempt would be made to collect local deposits? The higher the rate of interest that the Central Banks prescribe, the greater will be the incentive to the collection of local deposits. When the local deposits accumulate sufficiently in the mofussil societies, the Central Banks will be obliged to cut down their rates of interest, and cheaper credit will be the necessary result of the competition of capital. I may draw your attention to the progress achieved in this direction by the Co-operative Societies in the Punjab. I was looking over the proceedings of the Conference of Co-operative Registrars this year, and I that it will contin Punjab the Rural Societies had Rs. 50 lakhs as has grown in the pital, and that out of the Rs. 50 lakhs more than obtained locally by means of share capital and

e would have thought that the Punjab was a I do not think it and perhaps more backward than our own sothe manifold advanta sidency. But the facts are otherwise. I trust directions which these r Presidency will make vigorous attempts fare. What is now and thus reduce the rates of interest to ments of co-operation

Dangers in the Path.

As to the dangers which confront this movement, the one against which you have to guard is negligence, indifference and very occasionally fraud, and the remedy is adequate supervision. That is the matter upon which stress has been repeatedly laid by the Registrar, but it is a danger which does not seem to be peculiar to this Province. It appears to have been observed by other workers in the other Provinces as well that the demand for Co-operative Societies is so rapid as to outstrip the means of supervision, and various means have been suggested for providing adequate supervision. It is not possible for the Government themselves to multiply the number of Inspectors and auditors so largely as to create a separate department. That is the point of view which has been emphasised by the Government of India, and I think it is a very necessary caution. If these societies are brought up in the leading strings of Government Inspectors and auditors, it is likely to interfere with the success and growth of co-operative spirit. The question is, therefore, in what form and by what machinery the necessary supervision should be enforced? While it is an ideal to be kept in mind that the Government should avoid officialising the whole movement, it is nevertheless recognised by the Government that it is premature to withdraw their protecting hand. The nursing must always be with an eye to future weaning and development of the societies. It has been suggested that the machinery for supervision should be paid for by the societies themselves. I do not think there need be any difficulty in arranging this. It is open to the societies to set apart a portion of their net profit for this purpose. It is not necessary that the staff for supervision should always continue to be Government servants. It is the Registrar's idea to leave the control to Central Societies, if they will undertake the supervision which is now exercised by the Government. So far as I can see, the idea seems to be sound and feasible, and I am not aware of any impediments in the way of adopting the suggestion. Even if the number of District Banks and Central Banks does not grow as quickly as we wish, there are the existing Central Banks which may make the necessary arrangements for supervision. It may also be possible to arrange with the Central Banks that such of the societies as have

agreed to pay a certain percentage of their net profit for this purpose should obtain loans on somewhat easier terms. The advantage to the lending institution of a thorough scrutiny of the affairs of the local societies would be so great that I think they would find it expedient and advantageous to lend on somewhat lower rates of interest to those local societies which submit to supervision by the staff of auditors and Inspectors employed by the Central Banks. With some such agency, it should be possible to ward off those abuses which are likely to creep in as the result of slack supervision.

Possibilities of Extension.

The next question on which I would make a few remarks is in what directions the co-operative movement may make a new departure. Hitherto, co-operation has taken the form of organising Credit Societies, and it has often been suggested that it should take other forms such as co-operative production and co-operative distribution. The new Act passed this year gives facilities for the formation of co-operetive societies in those fields of production and distribution. I do not know whether there are any societies for co-operation in agriculture. But a few well managed societies, say, one or two, in each district, would serve as object lessons and would be followed by a number of other societies on the same lines. We must, however, recognise that co-operative production or co-operative distribution cannot possibly come into existence before the organisation of co-operative credit. The burden of indebtedness is one which the ryot must first shake off before he can think of applying himself to co-operation in the form of production or distribution. The benefits of co-operative distribution have hitherto been confined to a few Urban Societies like the Triplicane Co-operative Stores. But even in towns, the first desire would be to get rid of indebtedness by co-operative credit.

There are certain other directions also in which Rural Co-operative Societies may undertake useful work. They may be brought into some correlation with the Village Panchayat or any administrative body in the Village Union. The advantages of this course would be very great. There are subjects like village sanitation, or primary education in villages, in which we cannot

possibly expect much progress unless we enlist the sympathy of the people themselves. I find a very interesting statement in the Registrar's Report that in a place called Mattigiri near Hosur, in the Salem District, such a society has been organised, and that the society has directed its attention to village sanitation and village roads, and that it is beautifully managed. The question of sanitation in rural areas has been prominently brought before the public during the proceedings of the Sanitary Conference which was recently held in Madras. There were papers and discussions on the subject. And it has been engaging the attention of the Government also. But the chief difficulty which besets the problem of village sanitation is the ignorance and apathy of the villagers themselves. Their ignorance of the principles of hygiene must largely account for the state of things that are observed in the Sanitation Report. There is no use in the mere expenditure of money by the Government or by local bodies unless we can be sure that the people in villages will take an interest in the matter and intelligently co-operate with the efforts of the Government or local bodies. Similarly, in the case of Urban Societies, there is one form of co-operation which I think may profitably engage their attention, that is, house-building. The relief of congested areas is a problem which has been recently engaging the attention of the local bodies and of the Government, and the provision of accommodation for persons who are evicted from the existing sites is a part of this problem. To give you an instance, in Coimbatore a number of chucklers were evicted from their old quarters in the town, and they were asked to build houses in a healthy locality. They spent all the money they received as compensation for their sites, and they put up just the same wretched sheds in the new locality as they were previously living in. Of course, a question may be asked as to how these people are to find money? If the syces at Mattigiri have been able to benefit by the existence of co-operative societies, I do not see why the chucklers and other low castes should not equally take advantage of these co-operative societies and turn them to account. As regards the better classes, they also stand very much in need of similar aid for house-building. Take the case of Tanjore, Kumbakonam or any other town. If you want to improve the town by relieving congestion, houses will have

to be built outside the town by or for the persons evicted and the compensation paid to them may in several cases be insufficient to meet the cost. Here is a large opening for useful activity for co-operation.

These are some of the new directions in which it struck me that an advance might be made. I dare say that other forms of activity may also suggest themselves to you and to the Registrar and to other gentlemen engaged in co-operation. There is no reason why all our co-operative organisations should be restricted to one type and why their objects should not be as varied as the necessities and requirements of social life.

Supervision and Co-operation.

What is most wanted now seems to me to make adequate provision for the supervision of socitcies and to see that the gospel of co-operation is vigorously preached. I do not wish in the least to disparage in any way the efforts that are made by the department to push on co-operation. But it is obvious that the department cannot possibly work unaided, and that the services of a large number of honorary workers are required to push on the co-operative movement into all the nooks and corners of the Presidency. Many of our retired officials find it difficult to spend their time. We have distinguished exceptions before us—gentlemen like Mr. V. K. Ramanujachariar, who have been willing to devote their time and energies for the public good. I am sure there will be other gentlemen also in this district who will be prepared to devote a part of their time to preach and propagate co-operation. It is fortunate for this movement that from its very inception it has been under the guidance of gentlemen who have thrown themselves heart and soul into the cause. Mr. P. Rajagopalachariar, Mr. R. Ramachandra Rao, and last, but not least, Mr. Swamikannu Pillai have been enthusiastic in the work of furthering co-operation, and if the movement has attained such marvellous success in our Presidency, it is due entirely to the guidance of our Registrars and to the untiring efforts of the very able officers by whom our Registrars have been assisted. Of Mr. Vedachalam Iyer's efforts in Madura, I have heard glowing accounts and of Mr. Vijiaraghavachariar it is hardly necessary for me to say anything, because his services are so well

known to you. It has occurred to me that the officials may turn their attention to the reclamation of some of the lawless tribes that are found in our district. I was told Mr. Vedachalam Iyer has reclaimed some of the Kallars in Madura. I hope Mr. Vijiaragavachariar, will also be able to reclaim some of that fraternity in this district from their lawless habits, so that they will not resort to cattle-lifting as an agreeable alternative to cultivation.

Gentlemen, the remarks that I have made are necessarily a somewhat straggling and elementary character. But I do not think it is necessary or possible for me to do more because many of you are much better acquainted with the practical work of co-operation. than I am, nor is it necessary for me to urge you to earnestness of work in the field of co-operation. I am quite sure that you all realise the need and the advantage of the development of the co-operative movement and require no exhortation.

Papers on various subjects were then read and discussed, some of them being in Tamil.

The Secretary's consolidated report of the existing societies in this district was then read by Mr. T. R. Srinvasa Iyengar B.A. L.T., It gave a detailed account of their work and status. There was alaso a Panchama class Co-operative Society, chiefly in rural areas and none in the town societies.

Then the representatives of those societies were introduced to the President who took their reports separately submitted to the Conference as formally taken and read, for want of time

Reserve Funds.

The following are the principal papers summarised:—

Mr. G. Aruliah Naidu of Kilacheri had sent his paper to the Conference on "Reserve Funds" which was read out in Tamil. In that paper he argued there was no reason for accumulating reserve funds as all loans had been given on substantial securities or three sufficient personal securities. Bankruptcy was possible only through mismanagement for which no fund was sufficient. That system was not insisted in other Provinces. In fact the reserve funds should be kept in the respective societies alone.

More Unions Needed.

The next paper was by Mr. C. N. Krishnasami Iyer, M.A., L. T. of Coimbatore and in his absence it was read out. He thought that the movement was a very beneficial one towards mutual trust in rural areas and he thanked the Government for the support accorded to the societies.

Organising Unions.

Mr. O.M. Venkatanatha Iyenger of Uttaramallur spoke on the organisation of Co-operative Unions, which was well appreciated.

Village Associations.

Mr. K. Ramaswamy Iyer, B.A. B.L., of Madura then read an interesting paper on "Village Co-operative Agricultural Associations" of which the following is a summary:—

The object of the rural co-operative societies is to secure funds by the joint liability of members. The moral advantages of such societies are even more numerous than the material ones. They create mutual trust. Every member of the society becomes alive to the fact that the ruin of a single member will affect his interests. Agriculturists realise the benefits of co-operation. The frequent meetings of the members at the village chavadi or any other common place and the constant discussion of subjects relating to their progress and welfare, disclose to them the immense possibilities which a combined action may generate. In short village life instead of being monotonous and dull becomes varied and vigorous.

Agricultural Production.

Rao Bahadur K. S. Venkatrama Iyer of Negapatam then addressed the Conference on this matter urging on the formation of societies for production and distribution of produce connected with agriculture. He pointed out that of late rice mills was the main form of co-operative enterprise, while agriculture was neglected most. Individual experiments alone were not possible to attract the ryots and he accordingly exhorted them towards co-operation.

District Central Bank.

Rao Bahadur V. K. Ramanujachariar next spoke on this subject and urged its necessity.

Resolutions.

Resolution No. 1. This Conference is of opinion that the existing restriction on the deposit of savings by Government Servants in Rural and Urban Credit Societies should be removed.

Resolution No. 2. This Conference requests that Government may be pleased to allow their servants to become members of Co-operative Societies as freely as they are allowed to be members of Mutual Benefit Funds.

Resolution No. 3. This Conference requests that the Registrar will permit the investment of Reserve Funds in the shape of loans to other co-operative societies.

Resolution No. 4. That, in the opinion of this Conference, it is highly desirable that Central Banks should charge a lower percentage of interest on loans advanced to Co-operative Societies or set apart a certain percentage of net profit for declaring a rebate of interest to Co-operative Societies, at least, in the case of such of them as have been prompt and regular in payment towards their dues and that the Registrar be requested to use his influence with Central Banks towards this end.

Resolution No. 5. While thanking Government for the additions made to the staff of the Co-operative Societies Department and conferring the powers of a Registrar under the Act on two of its officers for expeditious working of the Department, this Conference reiterates its opinion that as the Co-operative movement is still in its infancy the Government be pleased to continue its patronage by appointing more officers, as the number of societies increases, for the purpose of controlling, inspecting, and auditing societies and thus contribute to their efficient working.

Resolution No. 6. That Government be requested to address all judicial officers to allow the enhanced rate of interest stipulated by Co-operative Societies from the date of default to the date of realization.

BENGAL CO-OPERATIVE CONFERENCE.

OPENED BY LORD CARMICHAEL.

The fifth session of the Bengal Co-operative Conference was held on Saturday 18th Jan. 1913 at noon in the Old Council Chamber, Writers Bulidings, under the presidency of the Hon. Mr. Lyon. About 100 membecs attended.

His Excellency Lord Carmechael arrived from the Legislative Council accompanied by the Hon. Mr. Gourlay and an Aid-de-camp. Mr. J. M. Mitra, Registrar of Co-operative Societies, then introduced all the members to His Excellency one by one, who shook hands with each one of them.

His Excellency's Speech.

Lord Carmichael then made the following speech:—

Mr. Lyon, Mr. Mitra and Gentlemen,—I have come here to-day to welcome the Members of the Fifth Provincial Conference of Co-operative Societies in Bengal and to do what I can to encourage you in your labours. The Co-operative movement is one in which I took great interest in Madras and indeed in Australia, and in Scotland where the Egg Society in my own village of Skirling was one of the first attempts at co-operation in agriculture, and it gives me great pleasure to see here so many busy men ready to give up their time to help on this movement for the benefit of the peoeple. I am glad to see here my friend Mr. Saroda Charn Mitter, all the members of my Executive Council, several members of my Legislative Council and many whose acquaintance I had the pleasure of making when I visited Dacca, Mymensingh and other districts of Eastern Bengal and Murshidabad and Midnapore in Western Bengal, but there is one man whom we all miss here to-day Mr. Buchan. Mr. Buchan's home in Scotland was near to my own. I knew his family well before I came to India. I saw him the day I arrived in Bengal. He was one of the first of the younger Civilians whom I asked to come to see me. I hoped he had a great and useful career

before him. I believe he would have had if he had lived. I am told that in the 4½ years during which he controlled the co-operative movement in Bengal, it was his common-sense and his sympathy with the people which made such rapid and certain progress posssible. His death came as a great shock to me, as, it must have done, I am sure, to all of you. I understand that there is a movement on foot to create some memorial of his life and work in India and I am sure few deserve more to be remembered. Bengal, I think, was the first Province to hold these annnal conferences, but other provinces quickly followed suit. I am glad to see fromt the list of those invited that the Confereence tends to become more and more representative. What you want in a matter of this kind is really a parliament of the people and your aim must always be "A government of the societies by the members and for the members."

Government's Thanks.

In Madras the movement has, I think,—in some directions —certainly made more rapid advance. This is due I believe to the fact that in certain districts in Madras education is more widely distributed, but it is also due to greater co-operation between the officials and the general public. Mr. Mitra in the Report makes strong appeal to the educated classes and particularly to the educated middle-classes for assistance. The co-operative movement must be a popular one. Government has given the initial impulse, but the people themselves must carry on the work, and those who are likely to be most benefited are seldom able to take the initiative without the assistance of the educated classes. I would like at the same time on behalf of the Government of Bengal, to thank those who have given up so much of their time to this work. Mr. Mitra has especially mentioned Dr. Graham, (that wonderful man, who seems to have time to do everything), Babu Prem Singh of Kalimpong, Rai Bahadur Krishna Chandra Chaudhury Praharaj of Midnapore, Rai Satyendra Nath Chondhury of Taki Rai Sahib Pramatha Narain Chaudhury of Bharenga, Moulvi Wasimuddin Ahmed of Pabna, Babu Barada Sundar Pal of Comilla, Babu Jogesh Chandra Dutta of Jamalpore, Khan Sahib Abdul Ghani of Faridpur and Maulvi Abdul Kader of Gopalgunj. I hope that this Conference will do much to encourage many others to take up the work. I would like to thank also those District Officers who, in the midst of their

duties, have found time to give assistance to Mr. Mitra—amongst those I would specially mention Messrs. French, De Marr and Woodhead, District Officers, I believe, they can do a great deal to help the movement by bringing those people within their districts who are likely to take an interest under the influence of Mr. Mitra's enthusiasm.

Village Societies.

I have not yet had experience of individual Societies in Bengal, but I hope in future to spend longer time than has as yet been possible in the different districts which I visit and I hope then to see something of the actual working of the village Societies. Societies in towns I am sure, do much good, but in a country like India it is around the village Society that our main interest must be centred. I see from Mr. Mitra's report that here in Bengal you stick very closely to the Raiffeisen principles. These principles have been the foundation of success in the villages in the home of co-operative credit and so long as you stick to them, you are bound to succeed in the villages of Bengal.

I quite agree with the remarks made by Sir Robert Carlyle at the Simla Conference that one good society does more good than 12 indifferent ones. My advice to you is, do all you can to keep the Societies you have, up to a high standard, and do not be discouraged because progress in other Provinces may appear in the returns better than yours. If you keep the individual Societies up to a high standard, the progress may be slower but it will certainly be sure. I would like also to endorse what was said at the Simla Conference regarding supervision and I would advise you to depend upon State aid for supervision just as little as you depend on it in financial matters. The movement will never succeed if Societies are entirely dependent on a large Government Department to keep them from going wrong. I would therefore urge you to do all you can to increase the number and efficiency of the supervising Unions and the control of the Central Banks. But the great safeguard of every Society is local interest and that can be achieved only through the members themselves depositing their savings with the Bank and thus encouraging the investment of local capital.

In the administration of Bengal the solution of the great problems which mostly affect the country whether they concern water-supply or sanitation or fighting malaria, depends on local effort, and in these we are handicapped by the want of village institutions. But I hope I am right in foreseeing that in the future these societies will take the place of the old village institutions, which once existed in India, and I am sure, I am right in thinking that if they do so, there will be a great change for the better in the administration of the country. I almost envy you and your opportunities of bringing about this great change, and you can depend upon me to give you all the assistance and encouragement in my power to carry on your work.

In closing I would like to say a word of congratulation to Mr. Mitra on his being appointed Registrar in place of the late Mr. Buchan. Mr. Mitra has attained this position through his own ability and hard work. When the question of appointing a successor to Mr. Buchan arose, it was recognised on all sides that Mr. Mitra was the right man for the post. I hope that he may long be spared to help on the co-operative movement in Bengal.

His Excellency left the meeting at 12-45 p.m.

Mr. Lyons' Tribute.

The Hon'ble Mr. Lyon next said :—

Gentlemen,—My first duty as your president to-day is a melancholy one, but I think all the members of this Conference will agree that before we proceed to the transaction of any business we should give expression to the deep regret that we feel at the loss that the co-operative movement and indeed the whole province of Bengal have sustained in the lamentable death of Mr. W. H. Buchan but recently Registrar of the Co-operative Credit Societies.

I find from the records of this movement in Bengal that he was Secretary to the first of these Conferences and President of the third, while he took an active part in the proceedings of the fourth Conference which was held only 18 months ago. It is needless for me in this company to dilate upon the service which he rendered to

the people in his important position, but we know from our own experience the value of those services, the keen interest which he infused into the performance of his duties and the genial personality which endeared him to those with whom he worked. We mourn the loss of one who was not only an able and energetic officer, but who was also to most of us a valued personal friend. I feel that I am but your mouthpiece, when I say that we should not wish to let this occasion go without including in the permanent record of the minutes of our proceedings an expression of our appreciation of his work and his character and our deep sympathy with his family in their loss.

I desire accordingly to propose the following resolution for your acceptance: "That this Conference desires to express its deep sorrow at the premature death of the late Registrar, Mr. W. H. Buchan, and to place on record its appreciation of his enthusiastic and successful work for co-operation in Bengal and its sense of the great loss which the Co-operative Credit Societies of the province have sustained through his decease."

"That this Conference desires further to express its deep sympathy with the members of the late Mr. Buchan's family on the irreparable personal loss which has befallen them.

"Further: That a copy of the above resolution be forwarded to Mr. John Buchan, brother of the late Mr. W. H. Buchan, over the signature of the President of the Conference."

The Conference then adjourned.

President's Opening Address.

The Conference resumed its sitting at 10-30 A.M., on Monday January 20th at Writer's Building. The Hon'ble Mr. Lyon presided. There was a good attendance of members.

The President in the course of his opening address said :—

When laying before you the programme of this Conference I may perhaps be forgiven for reminding you that I am not a stranger to this movement and that I have some small claim to participate in your labours. For it is now more then 11 years since I was

appointed to initiate a scheme for the establishment of Co-operative Credit Societies in the districts of Bengal, and to report as to the system or systems which should form the basis of our experimental work. I had thus the privilege of being a pioneer in the great reform that is represented by the flourishing Co-operative Credit Societies in the province to-day. In looking back upon that time it is interesting to recall how pessimistic the opinions were which we received as to the prospects of any such movement in Bengal. We were told that there was no possibility of co-operation among Bengali villagers ; we were solemnly warned that societies such as these were not wanted, that their formation would prove impracticable and that they would constitute even a possible danger. These gloomy prognostications came from many sources, both Indian and European, official and non-official, but fortunately we were not all of the same mind in this matter, and it has now for some time been obvious that those of us who from the first expressed their faith in the merits of co-operation, and in the good sense of the people to whom we proposed to introduce it, were in the right. While rejoicing in the healthy progress recorded you will, I think, have appreciated the wise advice that has been given, to us of late as to the necessity for consolidation, and for the formation of unions to supervise and control the work of new societies. This consolidation has always been the aim of the promoters of the movement. We begin from the bottom, among the cultivators themselves and organise Co-operative Credit Societies among them. As these societies multiply they are formed into unions for mutual help and support, and eventually those unions seek financial security by union and co-operation among themselves, and form a Central Bank or corporate body of some kind which represents the total of their united strength. The whole fabric is at the same time reinforced by a system of audit and supervision, which ensures the financial control of the unions over the societies and of the central bank over the unions.

It must be realised, however, that while Government has given the original impetus and has initiated the work and will continue to foster it so far as lies in its power, the movement has already outgrown the powers of the Government to control it in detail and our hope of final success lies in the capacity of the people to take over that direction and control through the labours of private

gentlemen such as the majority of those present in this Conference. It is recognised now on all sides that a successful village society means a step forward in education and local self-government in fact the resuscitation of village government in a most attractive form.

The regeneration of the people is equally the aim of the Government and the independent patriot, and for India at the present moment there is no more important virtue than thrift, and no more valuable agency for advancement than co-operation. I would beg all of you gentlemen, therefore to put in the forefront of your work the duty of persuading and training others, your friends, your old schoolfellows, your subordinates and even your superiors to go out and organise Co-operative Banks, Unions, and Societies throughout the length and breadth of this great province and not to rest until these societies have multiplied a hundredfold, and until co-operation and thrift have become integral elements in the daily life of the people of Bengal.

Proceedings.

The Revenue Mr. Wheeler placed before the Conference the report of the sub-committee appointed to consider the workings of the village societies. The Committee suggested a number of amendments to the bye-laws. Slightly modified, they were adopted.

The question of supervisors was then taken up. It was decided that the Western Bengal system should be extended to the whole of the province.

Their duties were defined and it was emphasised that their most important function was to investigate the basis on which a loan was actually applied.

The Conference next considered the proper numerical strength of the village banks and came to the opinion that no rule should be laid down and no maximum fixed and their number should not ordinarily fall below 15.

The Conference then adopted the rule laid down by Mr. Wolff "that the credit system should be personal and that no society is attachable in case of any." The Conference emphasised the fact that market credit should be made entirely subsidiary to personal credit.

Rate of Interest.

The Conference next considered the question of the rate of interest and decided that it would be desirable to reduce the rate of 18¾ per cent prevailing in Eastern Bangal, approximately to 12½% with the maximum of about 15 per cent.

The Conference then took up the question of the basis for loans, and considered whether the Punjab model was applicable to Bengal. It was decided, however that experiments might be made and their results reported.

A resolution as to the propriety of establishing community banks, if it was not brought with the apprehension of the location of racial animosity, was carried unanimously.

On the proposal of the Rev. Mr. Wheeler it was resolved that loans should be definitely limited to a certain proportion or multiple of the shares of the borrower.

After some discussion a resolution that there should be a limitation of dividends being put to the vote, was carried by an overwhelming majority.

The Conference resolved on the proposal of the Rev. Mr. Wheeler that the Secretary of an urban bank, (or the officer who discharges the duties of Secretary) where he is a member of the managing committee and not merely an accountant, should not hold the office for more than three successive years.

The Conference was adjourned at a quarter to 7 p.m. to 11 a.m. the next day.

Third Day's Proceedings.

The Conference resumed its sitting on Tuesday, January 21,1913. at Writers' Buildings at 11 a.m., under the presidency of Mr. Sarada Churn Mittra, the Hon. Mr. Lyon being engaged elsewhere.

Accounts.

The Conference considered the recommendation of the sub-committee regarding the keeping of registers and account books.

The imposition of penal interest upon defaulting members formed the subject of a lengthy discussion.

Babu Ashutosh Chakravati of Pabna suggested that the subject might be referred to the Legal Remembrancer.

Babu Panchanon Mozumdar of Maldah held the same view.

The President observed that there was a conflict of authorities on the subject and it was very difficult to arrive at a decision offhand on this point.

The decision of the question was postponed at the suggestion of Mr. J. M. Mitter, Registrar, pending a case to be made out by him and the president, to be referred to a legal expert for opinion on the point.

The recommendation of the sub-committee regarding the keeping of accounts was accepted.

The Conference next discussed the recommendation of the sub-committee that the members should be trained in the art of keeping accounts. The recommendations were accepted without any opposition.

Reserve Fund.

The subject of a reserve fund last engaged the attention of the Conference. The sub-committee recommended that in the beginning the reserve fund should be employed as capital.

Babu Barada Sundar Pal thought that the reserve fund should be kept separate.

Rev. Mr. Wheeler acquiesced in the propriety of the sub-committee's recommendation.

Professor Radha Kamul Mukerjee suggested that the reserve fund might be kept separate in three years.

Babu Panchanon Mozumdar was of opinion that the reserve fund should not be kept separate, for in that case, it would entail heavy losses.

Babu Ambika Charan Ukil said no hard-and-fast rule need be framed on the subject.

Mr. K. C. De suggested that the reserve fund might be used as capital in the beginning in order to reduce the amount of the loan, the society has to borrow. The excess might be afterwards invested elsewhere.

The first portion of the suggestion was accepted.

The second portion of the suggestion set the Conference in a brisk discussion.

Mr. De suggested that the amount in excess of 25 per cent of the reserve fund used as working capital should be kept separate. He observed that it was the principle employed in all banks, the Bank of Bengal, for instance.

The Registrar was in favour of the reserve fund being kept separate, as he thought it would appeal more effectively to people endowed with a business instinct, he considered the figure 25 per cent as too high. He suggested the rate at which the society borrowed.

Mr. De's suggestion was carried.

The Conference accepted the proposal of the sub-committee that the Registrar should publish a list of societies showing the rate of interest they pay on deposits.

The Conference accepted the suggestion that the "home safe boxes" should be introduced to stimulate thrift and the habit of saving.

It was decided by the Conference that the margin of profit should be about $6\frac{1}{2}$ per cent. and not higher than that.

The sub-committee reported with pleasure that considerable progress had already been made in attracting local capital, but recognised that a very great deal remained to be done. It was only possible by increasing public confidence in the good management and stability of co-operative societies, and recommended that every possible step be taken towards that end.

The Conference accepted the recommendation of the sub-committee that joint-stock banks should be brought into relationship with central banks or banking unions as a financial agency,

and considered that the Registrar should enter into negotiations with the Calcutta Joint-stock Banks on behalf of the Central Banks and Unions of the interior whenever asked to do so.

The Conference decided that the co-operative year in Bengal should end on the 1st of December.

At this stage, at 12-45 p.m. the Hon. Mr. Lyon arriving, Mr. Mitra vacated the presidential chair in his favour.

The Conference next considered the draft rules for the guidance of co-operative societies.

The recommendation of the sub-committee, that an appeal should lie to the Governor-in-Council from any order of the Registrar, refusing registration of a society, refusing to amend or rescind by-laws or deciding a dispute, gave rise to a long discussion. The proposal being put to the vote, was rejected, none voting in favour of it.

After the adjournment for lunch, and prior to resuming work, the members of the Conference were photographed.

Central Banks.

On the proceedings being resumed, the President invited a discussion on the report of the sub-committee as to the forms of Central Banks.

Rev. Mr. Wheeler commended the recommendation of the sub-committee "in toto" to the acceptance of the Conference, and congratulated the sub-committee on the excellence of their report.

Other members also entirely agreed with the recommendation, whereupon the President congratulated the Secretary of the sub-committee on the unanimity with which the recommendation was accepted. The recommendation, consequently received the ready acceptance of the Conference.

The conversion of urban banks to central banks, as recommended by the sub-committee, presented to the Conference, a question for a debate.

Rai Saheb Promotha Nath Chandhuri was opposed to the conversion. So was Mr. N. G. Chaki.

The Conference decided that it could not come to a definite conclusion as to the point of conversion. The recommendation of the sub-committee was then put to the vote and lost.

The sub-committee proposed that a committee of business men and financiers be appointed with the Hon. Mr. Lyon as president, to take steps to bring about the establishment of a provincial bank.

The proposal was unanimously accepted.

A Co-operative Journal

The Rev. Mr. Wheeler felt the necessity for the publication of a Co-operative Journal in English. If the Registrar undertook to edit it he would take upon himself the burden of publishing the paper at least for one year.

The Registrar also felt the necessity; but he suggested that Mr. Wheeler should not only bear the cost of printing but edit it also.

Mr. Wheeler agreed to take up the editing, for, he in his turn, would find somebody to do the editing for himself. (*Laughter.*)

Mr. De recognised the necessity for a journal, for he thought that it was just the time for publishing such a journal.

The Conference resolved to undertake the editing and publication of a co-operative journal.

The Next Conference.

The question as to the time of the next Conference was then discussed. The Conference decided to hold it in January.

Rev. Mr. Wheeler proposed a vote of thanks to the chairman for the exceedingly courteous manner in which he had conducted the deliberations.

The Hon. Mr. Fuzl Huq seconded the proposition, which supported by Babu Ambika Charn Ukil and the Hon. Mr. Guzmavi and was carried unanimously.

The President returned thanks in suitable terms, after which the Conference was dissolved.

News and Notes.

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The International Movement.

An appeal by the Executive Committee.

The International Co-operative Alliance has, within the last 17 years of its existence, rallied round it about 8000 co-operative societies, comprising nearly 7,000,000 members and spread over 24 countries and 3 continents. It can positively be declared that the Internatienal Co-operative Alliance forms the nucleus for the future great worldwide commonwealth. Its foundation rests on freedom and peace based on the solidarity of human interests and the equality of the rights of all nations. To build it up the forces required are those which have their origin in the spiritual and moral nature of mankind and not as some think in the existence of physical power, armies warships, police, royal palaces and pomp.

To spread this co-operative ideal the executive committee of the Alliance have decided to address the millions of men and women of all nations, occasionally, through the medium of the co-operative press, to recall to their minds those higher and finer thoughts necessary for the inspiration of true and useful co-operation, to imbue them with new zeal for their cause and to strengthen the belief in the power and final success of their ideals.

Notice the great political change in China whose people were held to be a conservative nation. China has been made a Republic. It is naturally tending towards democratic modes of thought. So, considering the close relationship between the democratic conceptions of society and the co-operative ideal, there is every hope that co-operation will take root in China. This co-operative movement is indeed an epoch-making event in the social development of mankind as their proclamation of the Republic in political history.

In the United States a great intellectual change is taking place which is sure to lead to a successful co-operative activity. The first signs of successful co-operative work are also perceived in the new world. The diffidence of the past years seems to be a thing of the past and the consolidation of the existing societies have begun.

It will be the aim of the Alliance to encourage the movement in these two countries.

It is believed that in spite of the havoc caused by the Balkan War the political changes brought about in the Near East have opened up new possibilities for the development of the co-operative movement. Though Turkey showed scarcely any sympathy for co-operative organisations, yet at least the two nations (*i.e.*) the Servians and the Bulgarians have for a considerable time been industrious in building up the co-operative movement and have obtained good results. It is hoped that these nations will realise the necessity for co-operation to overcome the result of the war, which has caused so much loss of property and life and to rebuild the villages and to recultivate the fields destroyed by the contending armies. The time seems to be drawing very near when the co-operative ideal will have taken root in all countries and amongst all peoples of the earth.

Thousands of persons belonging to all nationalities, professors of classes in the European countries have become associated with the International movement. The chief reasons for their doing so being the continual increase in the price of necessaries of life and the difficulties of maintaining a bare existence and improving their lot. To make the movement a success, the members must become co-operators in the true sense of the word and understand and carry out the higher duties and obligations of co-operators. These obligations will be discussed and explained in the International Co-operative Congress which will take place this year, at Glasgow. It is hoped to invite the co-operators of all countries to be present at the meeting of this universal Parliament which is to show the development of the International movement. It is desired to express the wish that the year which has just begun may crown the efforts of the International movement with encouraging success.

New Record for the Co-operative Wholesale Society.

Sales for 1912 £ 29,094,000.

The figures taken from the price list of the Wholesale Society show that though the sales of the society for 1912 did not reach 30,000,000, as anticipated, they were sufficiently high to set up a new record. The total sales in the distributive departments during the year 1912, amounted to £ 29,734,000, while in 1911 it amounted to £ 28,131,000. This shows an increase of sales of £ 1,603,000 or approximaltey 5·6 % in 1912. As regards the productive works supplies, the total supplies amounted to £ 7,557,101, in 1912 while the same amounted to 6,901,814 in 1911, which shows an increase of supplies amounting to £ 655,287, or 9·4 per cent approximately, in 1912.

A Co-operative Meeting.

Vadamalaipuram, January 27.

The monthly Co-operator's Day of the Vadamalapuram Circle in the Ramnad District was celebrated by the Thadangum Rural Co-operative Society No. 477 on 26th January at the Vachakarapatty choultry near the Tulukapatty Railway station (S. I. R.) under the presidentship of Mr. K. R. Venkatarama Iyer B.A. B.L., of Madura. Representatives from about 20 societies of the Satur Taluk attended. Speeches were made by (1) The Agricultural Inspector on "Improved Cotton Cultivation and Agricultural Co-operation" (2) By Mr. K. Ramaswamy Aiyar on "What both the credit and distributive societies can do for their mutual benefit." Papers were also read by Mr. N. Anantha Aiyangar on the "Special facilities for depositing in co-operative societies" and by Mr. R. Anantha Rao on "the Importance of constructing co-operative roads by the Societies." The papers that were read were lucid and instructive. A clear contrast was made regarding the working of Co-operative Societies and permanent funds. Thus a very interesting though short programme was gone through successfully. The gathering came to a close with a vote of thanks to the chair, to the Director of Agriculture, and to other visitors. The President was garlanded by Mr. R. Anantha Rao.

A School of co-operation at Liege (Belgium.)

The Special Correspondent of the *Co-operative News* (January 25th 1913) writes :—

In accordance with the division of the Co-operative Congress held at Jolimont, preparations are now in progress for a school of co-operation in the important industrial city of Liege ; and in view of the number of societies in the Province (eighty-three all told) the city of Liege must be regarded as an excellent centre for the experiment. The fact that Emile Vander Velde, the eminent politician and publicist, is to be one of the lecturers is sufficient to indicate the authoritative character of the instruction given. On the theoretical side, the lectures will cover the principles of co-operation, the utility of co-operative societies, the history of co-operation in Belgium and in other countries, co-operative organisation, distribution, production and exchange, both from the national and international standpoint; co-operative education and the personnel of co-operative societies; and co-operation, socialist and mutual; whilst on the practical side the lectures will range over commercial law, co-operative legislation, mercantile courses, organisation of buying and selling, the control of commodities and other important topics.

The Rochdale Equitable Pioneer's Society.

The annual festival of this famous society, was celebrated on the 18th January last. The Secretary's report showed a membership of 19,281, an increase for the year of 550; the share capital stood at £ 367,969, an increase for the year of £ 4,458; the year's sales amounted to £ 404,693, an increase for the year of £ 17,852; and the profits (including interest) amounted to £ 70,890, an increase for the year of £ 2,783. The grants to the educational department were £ 709, for the year, an increase of £ 36. The total sales from December 21st, 1844 to September 10th 1912, had amounted to £14,584,287 and the total profits had amounted to £2,355,274. The total grants to education for the same period had amounted to £40,169.

Co-operation and its foes.

A correspondent writes to the *Co-operative News*:—

In Austria the co-operative movement has been stirred to the depths by a Bill containing provisions of a very amazing character. The Bill entirely prohibits the erection of branch establishments of co-operative distributive societies and it also declares that all branch establishments at present existing are to be dissolved in two years. Industrial works or business premises are only to be erected at or near a society's business address and if they are erected outside the radius they are not to be allowed to commence operations unless at least fifty persons living on or close to the spot have joined the society.

The object of the Bill is to split the movement to fragments and keep it in that atomic state. It serves both as a testimony to the growth of the movement, and to the malignant spirit which animates its enemies. Previous objects which failed, have been much less drastic than the present one, which may be taken as the high-water mark of intolerance. But it may be taken for granted that the noxious provisions will never become into operation if the Austrian movement can help it.

Indian Rural Credit.

The London Correspondent of the *Pioneer* writes under date 20th December:—

The "model paper," to quote Lord Reay's description, read by Mr. Selwyn Fremantle to the East India Association recently elicited a most practical and instructive discussion. Some 3½ years ago Mr. Fremantle read a paper on the progress of co-operative credit societies in India, and he now showed what further progress had been made and discussed

recent developments from the standpoint of his long practical experience as Registrar in the United Provinces. He estimated the event on the figures of a year ago a million and a half of the population in India are assisted by the co-operative system. In giving the latest figures (which need not be repeated for reading in India) he said the rate of increase for the closing year—nearly 50 per cent—was likely to be maintained for some time, since the institution of new centres of organisation and control was rapidly spreading the knowledge of the system over wider and wider areas. Discussing the application to India of the principles inherent in all true co-operative systems, he laid down as a fundamental principle that the movement should be self-supporting and self-reliant, and should not depend unduly on Government or on any central institution not built up by itself whether subsidised by Government or not. While recognising that in the present stage of development the movement could not progress without official assistance and encouragement, and some measure of official control, he argued that there was too much reliance on State aid in Bombay and Eastern Bengal. He criticised the formation of a large capitalist bank in Bombay by the assistance of State guarantees to loan money to the societies, and argued that it would be more in accordance with co-operative principles if district banks were formed by the local societies, with the assistance of local capitalists, as had been done in other parts of India. He laid down as a second principle that a real demand should exist for a society before it is actually formed; and as a third principle that in all cases capital should be the servant and not the master. He holds that capital should be entitled only to a moderate fixed return, and that all extra profits should go to the users of the societies. He wished to hear no more of dividends of 15, 18, and even 20 per cent, such as have been recently paid in Eastern Bengal. The introduction of share capital looking for large returns led to a conflict of interests between the shareholders and the users of the society, whereas it was the latter's interests alone which should receive consideration. The paper, to again quote Lord Reay, was "clear, lucid and concise."

An Expert Testimony.

The great feature of the discussion was the speech of the Chairman, Mr. Henry W. Wolff, who speaks with unrivalled authority upon all subjects relating to rural co-operative credit and has something like a fatherly interest in the Indian system. While warmly praising Mr. Fremantle's work in the United Provinces and expressing agreement with the main conclusions of the paper, he raised criticisms on two points. The first was based on his objection to compulsory deposits from users. People who joined the banks did so because they wanted money, not because they had any to invest. To make a man subscribe Rs. 5 when he wanted Rs. 20 often meant that he went to the *mahajan*, and borrowed the money at exorbitant interest. What was wanted was to get other people's money in the banks. His second objection was to the unlimited liability of shareholders. They had had examples in Europe of the drawback that where credit was based both upon shares and upon unlimited liability the dangers of the latter were not realised. He went on to say that the movement in India had been a magnificent and quite unique success. Sir William Wedderburn as an old worker in this field would bear him out in saying that 20 years ago they could not have expected such progress. It might be said that judged by European standards the figures of deposits and loans were still small for so vast a country, but as Oliver Goldsmith had said "little things are great to little men." A rupee went much further in India than it would here and the distribution of even small sums by the societies had done enormous good. The cultivators now found that burdens of debt they had carried from the cradle to the grave could be removed by borrowing from the banks at cheaper interest in 4, 5, or 6 years or at any rate in a very limited time, and that they could get firm ground under their feet. India had not yet touched the problem of co-operative production, which was the most difficult of all co-operative problems. In it they had a hundred more failures than successes in Europe at the outset, and it was probable that India would pass through a similar experience. Rural credit was developing in India, evidently because it was the form of co-operation required there, whereas in this country we began with distribution. In Germany the advance had been through co-operative banking. The consequent development of agricultural co-operation had led to a tremendous advance which now made German agriculture the admiration of the world. Before they had co-operation they were miles behind England, and 50 years ago they looked up to us as their model, but now they would not look at us. They had got more variety; more power of adaptation to different circumstances; more business instincts; more methods of making money out of land.

Self-Help.

Mr. Wolff went on to say that Mr. Fremantle was perfectly right in laying so much stress upon the movement being one of self-help. The Indian Government had shown a very wise discretion in this matter, and he was gratified to think that his own arguments in this direction were quoted by Lord Curzon when legislation was initiated, and had been followed both in India and the United States. In India the policy had proved a very great success, and it was wonderful to reflect how the obstacles on which so much stress was laid at the time of initiation had proved to be purely mythical. It was said that caste would stop the way; but the very small extent to

which it was an obstacle had been overcome. It was said that there would not be members to keep accounts and to manage the business; but that was found to be a false prophecy. It was said—Mr. Fremantle's predecessor came to him and said—that it would be quite impossible to get the deposits regularly paid, at any rate in the United Provinces. Well they had got the deposits steadily paid in. He held fast by the view that if co-operation was not based on self-help it could not be a success. No doubt circumstances had been in favour of the organisation. Eighteen years ago the late Sir Arthur Cotton—then over 90—expressed to him his delight at the prospect of the introduction of co-operative credit in India, and said: "Whatever expectations you form, multiply them by 20, and you will find them exceeded." It looked to him as if that prediction was going to be fulfilled. He wished to commend the tact and judgment of the Registrars, and the good results of their work was the more to be appreciated when they remembered how few they were for a vast country like India, and the small staff they had had to work among this tremendous mass of people. The people themselves had shown great aptitude. Their experience of the *Punchayet* system had helped them to grasp the principles of the movement. Then the Hindus were very good reckoners and accountants, and the Mahomedans had a keen sense of collectivism, so that amongst both races co-operation had been quickly appreciated and understood. Of course among the backward races progress would be slow, but here the agency of voluntary workers had been very helpful. He knew this from many letters received, more particularly from missionaries. Mr. Gladstone laid it down on one occasion that so long as we did the best we could by the natives of India we had a right to be there as masters. He thought in starting a co-operative movement we had rendered very great service to India, service for which succeeding generations would be grateful to those who had moved in the matter. Therefore he looked forward for further development of the co-operative system in India, for which there were great opportunites, with considerable confidence and hope. (Loud cheers.)

The Bombay Registrar.

Mr. C. S. Campbell gave a witty account of his experiences as Registrar in the Bombay Presidency and said that the primary work was educational, and in this connection district, divisional and provincial conferences had been most helpful. He had always been anxious to get the district officers and other high officials to the conferences, for he felt (though he did not tell them so) that they wanted education, and he was quite sure that good had been done by this means. In Bombay they had honorary workers and organisers who took great interest in the

movement and were able to contribute usefully to the conference discussion. Again and again high officials had expressed to him their pleasure at finding the prevalence amongst them of such a thorough knowledge of the aims and principles of co-operation. He said that he thought that in considering the work in India they should get hold of root principles upon which they could all agree, and then leave local details for local settlement.

Sir William Wedderburn gave the meeting some account of his efforts to start co-operative banks in the distant days of Lord Ripon—efforts which received their *coup de grace* at the India Office. He mentioned that the old debts of the cultivators were the great difficulty, and that the Finance Minister of the day (the present Lord Cromer) had undertaken to advance 6½ lakhs to pay off the debts in the taluka where the co-operative system was to be tried as an experiment.

Sir James Douie gave particulars of the movement in the Punjab, and took the opportunity to show that the Land Alienation Act has been a magnificent success. The principle underlying it was that if agricultural credit was a good thing inflated agricultural credit was a very bad thing: they wished to keep the credit within wholesome limits. The co-operative credit system came in at the right time to help the cultivators in readjusting their practice to the new conditions. The Punjab peasant was now an enthusiastic admirer of the restriction of land alienation.

Other Speeches.

Lord Reay gave an amusing account of his own unhappy experiences in Western lands in respect to some co-operative movements he had assisted. But he said that notwithstanding this unfavourable education of practical experience, he was strongly convinced that co-operation was absolutely essential in agricultural districts, and that if small holdings were to succeed in England it would only be by applying the principles of co-operation. He heartily agreed with the view that the less there was of official patronage and official interference the better. The progress of the movement showed the advantage of our distinguished Civil Servants in India taking every possible opportunity for encouraging self-development and self-improvement by the Indians.

Mr. Leslie Moore, as a retired Bombay Civilian, gave an explanation of the relative inferiority of Bombay in the matter of the credit societies. The principal part of the Presidency was the Deccan, and though it contains one of the thriftiest and hardiest peasantry in India, it was a very difficult region in which to make a living. It used to be said that the Deccani peasant might expect at least one year of scarcity in every three. Moreover, the Deccan Agricultural Relief Act restricted the credit of the people with

the money-lenders. Those two facts must be taken into account in comparing Bombay with other parts of India.

After Sir James Wilson had paid tribute to Sir Frederic Nicholson, Sir Denzil Ibbetson and others concerned in the introduction of the system, Mr. Fremantle replied to the discussion answering various points that had been raised. With respect to compulsory shares, he pointed out that the shares were payable by small half-yearly instalments spread over ten or twelve years. The measure of sacrifice entailed was a good guarantee that members really appreciated the advantages to be derived from co-operation; the possession by each member of a state in the society proportionate to his stat- us gave him a substantial and positive interest therein; and the practice of saving, enforced over a period of years, was likely to encourage the habit of investment and teach the uses of capital. As to old debts, a point raised by Sir William Wedderburn, the rule was that if a man was practically a bank- rupt and his debts were more than he could repay by taking out a loan repayable in instalments spread over five years, he was not admitted into the Society. In his province the members were usually small men having no proprietory rights and often no occupancy rights, and it was seldom that such men were very heavily involved. He rather surprised his hearers by mentioning that the rate of interest in the United Provinces ranged from 12 to 15 per cent. But he added that the mahajan rates that usually prevailed had been from 24 to 70 per cent, the average being 36 per cent; so that by lending money at 15 per cent the societies were doing a great deal of good to the people. It must be remembered that a good part of the interest went in expenses. There were accountants to be paid if the work was to be satis- factorily done; and as efficient inspection was essential some three or four per cent was absorbed for payment of inspectors. As to security, no tangible security was required: the guarantee of repayment of loans was the general reputation of the society and the personal interest of the members in its progress.

CIRCULARS.

Loans and Repayments of Loans.

Registrar's office Circular 4987/12.

D. Dis. 715/1912 of the Assistant Registrar, Co-operative Societies, Bazwada Sec., Dated 9—11—1912.

It is noticed that many societies are lax in enforcing their bylaws regarding punctual cash repayment of loans or part thereof with the result that the co-operative movement has not helped certain members to reduce their indebtedness. It is also observed that many societies do not strictly conform to the bylaws fixing the maximum amount of loan which a member can take as principal or for which he can offer himself as a surety. In certain co- operative societies which have been working for 5 years and above, a few members have expressed a desire to withdraw themselves from the society.

2. To make certain of the progress hitherto achieved by each society it is not sufficient if the Inspectors pay flying visits and make a routine and mechanical audit of the accounts, figures and vouchers etc. They must halt at each place sufficiently long, overhaul the accounts of each society com- pletely and instruct each society what steps in particular it has to adopt to raise itself to the standard of an ideal institution. The Inspectors should, amongst others, note the following points:—

(1) It should be ascertained whether the immoveable property register has been rewritten for the current fasli and got signed by each member. A duplicate copy should be sent to the undersigned at once.

(2) For each society, a liability register (in the enclosed form) should at once be opened and entries brought up to date. If any member has borrowed as principal, or stood as surety for a larger amount than what is permissible under the bylaws, the same should be clearly pointed out to the society and instructions given to the members concerned and to the society regarding the steps to be taken to remedy the irregularity noticed. In the by-laws of some of the old societies, it appears, the maximum amount for which a member can offer himself as a surety has not been specified. It may be fixed at double the amount which a member can borrow as principal

and resolutions of the general body should be got wherever necessary and submitted for amendment of the by-law concerned. In cases where the amount taken as principal exceeds 50 per cent. of the net value of the immoveable property possessed by the member or when the sum total of the outstanding loans taken as principal and as surety exceeds the aggregate value of the property (both immoveable and moveable) of the member, the risk, which the society (with unlimited liability) is likely to sustain should be clearly pointed out to the general body of the society. A glance at this register will show at once whether each member gradually decreases his indebtedness and also bring to light cases in which full or part repayments are affected by obtaining fresh loans. In cases where a member does not show signs of gradually decreasing his indebtedness, he may be clearly advised to seek the redemption of his debts by selling a part of his property and the society warned of the risk it runs by encouraging such a member to continue in his ever progressing indebtedness. The Inspector should endeavour to interview with every member of the society and particularly with those who yet owe to the society any portion of a loan taken as principal. Interviewing with indebted members will assure the Inspectors of the accuracy of the liability register now prepared by them. The members who are not indebted to the society will give information regarding the favouritism of the panchayat, if any, in sanctioning loans and other irregularities, if any, in the transactions of the society.

(3) The Inspectors must satisfy themselves whether all loans are genuine and bonafide and for the benefit of the borrower and that no member (particularly those on the panchayat) has abused the cheap credit available in the society by getting loans advanced nominally to his dependants who have no need to borrow on their own account.

(4) The written consent of the sureties is required, under the by-laws, to be obtained before granting extensions of repayment time in respect of suretyship loans but records of such consent are not generally kept with the bonds. It is apprehended that the provisions of this by-law are generally overlooked which is very regular. The Inspector must inspect the bonds relating to every outstanding loan and see whether it is complete in every data. In case of suretyship loans for which the extension of repayment time has already been granted but written consent is not forthcoming in the records the omission should be got supplied at once for the amount of loan still outstanding. The consent may be noted on the bond itself. If any of the sureties be dead or has ceased to be a member or is not willing to stand as surety, the principal debtor should be made to repay the outstanding loan at once or execute a fresh bond with new sureties (treating the old loan account is closed.)

(5) In case of registered mortgage loan bonds, the Inspectors will do well to get repayments up to date, if any, endorsed on the bond under attestation of the executant.

(6) A list of overdue loans should be prepared in the appended form and in case no suit has been instituted or other action taken in respect of any loan for over three months after the due date, the society must be classed as a bad one and warned that the undersigned will desist from sanctioning further loans or recommending extension of repayment time in respect of loans due to the central and district banks.

No. of loan.	Date of loan.	Entire amount of loan.	Purpose of loan.	Amount outstanding.	Due date.	Steps taken for recovery.
1	2	3	4	5	6	7

Note:—In respect of loans already overdue and not likely to become barred by limitation for another year to come the three months period referred to in Registrar's circular No. 2120 dated 26-7-12 may be granted from the date of Inspector's inspection.

(7) The Inspector must see that the period of each extension of repayment time does not exceed that granted at time of first advance (vide col. 7 of the loan ledger) and that a loan must be collected within 5 such periods counting from the date of loan. In certain cases even though default has occurred for 2 periods extension is granted on payment of 1/5 (instead of full 2/5) or less which is irregular. Such irregularities must be rectified at once and as many fifths realised at once as the number of periods (vide col. 7 of the loan ledger) as have already elapsed. Loans in respect of which such irregularities have occurred must be counted as overdue till rectification of the errors. The attention of Inspectors is once more drawn to the Registrar's circular No. 2120 dated 26-7-12. viz., the extensions are to count from the date last fixed for repayment and not from the date of last payment which might have been delayed at times.

9. When sanctioning loans, panchayats do not seem to exercise its discretion properly in the matter of fixing time for repayment of the loan. Generally the time is fixed at the maximum period of one year permissible under the by-laws and even afterwards extension of repayment time is freely granted to the maximum limit permissible under the by-laws (one year after each repayment of 1/5 of the principal) with the result that a loan which

should probably have been repaid in full within 3 months or earlier is allowed to drag on for 5 years. On a full consideration of the subject the undersigned considers that the loans taken for the purposes, hereunder detailed should be repaid in full within the period noted against each. The nspectors should explain to the societies the reasons for fixing different periods with reference to the purpose of each loan, educate the panchayat particularly in the matter and advise them to adopt these periods. In cases where the maximum time permissible for the repayment of the full loan has, according to this list, already elapsed, the society must be instructed to collect the entire loan amount outstanding on the due date and grant no further extensions.

Purpose.	Maximum period within which the entire loan must be repaid.
Twist to weavers	2 to 4 weeks.
Petty trade	1 to 3 months
Purchase of raw materials of industry ...	3 to 6 months.
Household expenses purchase of food etc. ...	6 months.
Payment of kist.	6 months.
Cultivation expenses	6 months to 1 year.
Grain trade	1 year
Purchase of country carts	1 year.
Ceremonies other than marriage	1 year.
Marriage expenses	2 years.
House building	2 years.
Purchase of cattle	2 years.
Improvement of lands and excavation of wells.	3 years.
Repayment of prior debts, ...	5 years.
Purchase of lands.	5 years.

Note. Maximum amount of loans advanced to members possessing only fixed monthly salary should not exceed 4 months' pay.

(9) The Inspectors must verify the cash balance with reference to that shown in the books and refer to the pass book to verify the amounts shown as deposited in the postal saving bank. They should insist on vouchers being produced for large sums shown as disbursed very recently (whether as loan, remittance to central Bank or otherwise).

10. In case of societies which have taken Government loans (For list vide Bulletin Vol. II No. 4 page 300,) the Inspectors must see that the total amount of share capital and of deposits made by members do not fall

below the balance of Government loan due by the society on the date of inspection.

11. After the accounts of each society is examined in the light of these instructions, the Inspectors must give written instructions to the society concerned and send a copy to the undersigned with such additional information on other points as may be found necessary.

3. With a view to facilitate this minute inspection of the societies and the going round of each circle at a very early date separate orders are being issued redistributing the societies in certain circles and it is hoped that the Inspectors in this section will make one round before the end of December 1912.

The Inspectors' work will be light in cases of societies which entertain clerks (as they are expected to maintain clear accounts) and also in case of societies newly started of having limited transactions.

4. At the foot of the weekly diary each Inspector will note "the total number of societies whose accounts have been completely overhauled by him to the end of the week under report".

Office of the Assistant Registrar of Co-operative Societies, Bezwada.
9th November, 1912.

(Sd.) P. MINAKSHISUNDARAM,
Assistant Registrar.

SURETY LOANS.

Assistant Registrar Mr. A. Vedachala Aiyar's note on surety loans and the loans for the redemption of previous mortgage His Reference No. R. C. 62/12 date 7-10-12. Registrar's Office Cur. No. 4485 of 12, date 11-10-12.

As the resultant effect of surety loans being given promiscuously in Village societies the middle class ryots and the poorer ryots are tempted to borrow more sums from private lenders on the security of their immoveable property remaining unencumbered. Thus the ryots get more indebted while the aim of the Co-operative movement is to put it down. Besides, the cheapness of interest and the facility of borrowing on surety bonds have contributed in a number of cases to a larger indebtedness and to unpunctuality in the repayment of instalments. To prevent these defects my scheme

is to divide the borrowing of a society into two parts (1) ordinary loan (2) special loan.

Ordinary loan. This loan is to be given in small sums to poor artisans, weavers and ryots, to be repaid in less than a year, with reference to the actual period required for getting back the capital invested in each transaction. For instance an agricultural ryot will be given small sums (1) manureal operations (2) for food expenses in certain periods of the year when crop is on the ground or when it is merely the cultivation season (3) for payment of kist. Loan given for manureal purposes should be returned in the shape of grain or cash when the crop for which manure was applied is harvested and fit for sale in the market. Loan given for food expenses should be returned in cash or grain during the harvest season. Loan for payment of kist should be paid up when the commercial crop such as grain, dholl etc., is harvested and fit for sale in the market. Loan for weavers should be paid back every week or every fortnight when the cloths manufactured out of the loan are sold. The ordinary loans should be advanced by the middle of May and recouped in the same period of the succeeding year. To facilitate this the District Bank should keep a cash credit from which each society will draw its fixed amount as necessity arises and would repay when collections come in; no society will be allowed cash credit for the next year unless it clears the accounts of the preceding year under this head.

Special loans. In giving loans for repayment for past debts especially for redemption of mortgage I would give loans in cases where redemption of mortgage with possession is to be secured. Where however the mortgage to be redeemed is a simple mortgage, I would allow the society to take up the burden at the higher rate of interest mentioned in the original bond by the debtor asking the society to pay it. The society will undertake to discharge such transferred prior debts only when the borrowers show their inclination to discharge it by paying annual instalments regularly. If there is no regularity in this the original creditor will be allowed to proceed on the mortgage land. On the other hand if the debtors are regular in the payment of instalments, I will ask the society to discharge such as are very pressing and those which bear a prohibitive rate of interest. This procedure would keep the debtors on the alert; as to the case of unpunctuality in payment of instalments the higher rate of interest will get accumulated and the original will bring the property to sale. I would insist upon recovering the annual instalments and the higher rate of interest for five years and if any debtor makes these payments regularly I would credit him as his deposit or saving with the difference between the higher and lower rates from the date on which the society clears the original bond.

I would also make a rule that all loans granted for five years with the condition of paying 1/5th each year should be cleared in five years and the amount as they are collected to be sent back to the District Bank or to be reloaned to other persons than the original borrowers. This rule is intended to make the people understand that they should shift for themselves after the loans at heavy interest are discharged. There is not much use in giving loans for five years to one and the same set of ryots. These principles if acted upon are likely to prevent the panchayatdars and other rich ryots from swallowing up a large portion of societies' loans and from making repayments of annual instalments by adjustment and not by cash. At any rate I should wish the introduction of these principles in regard to the societies in Salem District and I therefore report this for the orders of the Registrar.

Applications for larger borrowing power.

When a society wishes to raise its borrowing power, it always has in view certain intending borrowers whom it wishes to oblige: if no such borrowers are in view but the society asks for larger powers because business is generally on the increase, this itself is a good sign. Where certain individual borrowers are intended to be obliged, whether at organization, or at starting or in the application for larger borrowing power, it is the duty of inspecting and controlling officers to see that the persons contemplated can repay the intended loans within the stipulated time (maximum 5 years) in other words that their annual savings which can be easily estimated are likely to be equal to the required instalments. Otherwise there is no chance of prior debts being discharged with the help of loans advanced by the society. Generally speaking when three persons worth Rs. 10,000 each pledge themselves in unlimited liability along with 20 others who are worth Rs. 1,000 each and the society composed of the 23 receives a loan of Rs. 6,000 (on the strength of a property statement totalling Rs. 50,000), it follows that the 20 who receive loans of Rs. 300 each on an average undertake practically to effect a saving of Rs. 60 per annum (besides interest on Rs. 300) out of the income of property worth Rs. 1,000. But some of these 20 may go in for loans of Rs. 500 each which will necessitate an annual saving of Rs. 100 out of the income of property worth Rs. 1,000. Now a person having Rs. 1,000 to invest is very lucky if he can get Rs. 100 per annum thereon for his own subsistence, leaving little or nothing by way of annual savings. If so all the applicants for loans of Rs. 500 or even Rs. 300 each are deceiving either themselves or the society. If a loan is intended

to be used for a productive purpose, the annual income may be raised sufficiently to enable the borrower to discharge the loan in five yearly instalments and in this case he may be allowed to borrow on the strength of the society's assets as a whole but it is useless for a person who borrows merely to discharge prior debts rely on any other assets than his own. All this should be made clear to intending borrowers from the very beginning *i.e.*, at the time when they apply for a society to relieve them from their embarrassments.

A confusion of the end with the means generally vitiates the reasoning of persons dealing with property statements and borrowing powers. If a person worth Rs. 1,000 applies for a loan of Rs. 500, the question that the society or an Inspector is likely to itself or himself is, is the property likely to fetch Rs. 500 on a forced sale. No doubt it is likely if the estimate is at all careful: but the object of a society is not to sell up the debtor's property, but to induce him to adopt *means* to avoid this regrettable *end*. If this means of repayment are patently inadequate as they would be in the above illustrative cases, no co-operator should accept a *satisfactory end* as equivalent to *satisfactory means*. No doubt the by-laws of societies provide that a man worth Rs. 1,000 may have a loan of Rs. 500 as a maximum but this supposes that investment of Rs. 500 in productive lines of business in which case it is no doubt *possible* to save Rs. 100 per annum so as to discharge the debt in five years. In a case of *unproductive* expenditure the means of repayment available in the present state of the borrower's property should alone be regarded, independently of the property of other members which cannot serve by any possibility to increase his annual income and which therefore should not be allowed to create for him an artificial credit.

OFFICE OF THE ... MADRAS

The Madras Bulletin of Co-operation

Vol. IV JUNE 1913 No. 4

CO-OPERATION IN THE MADRAS PRESIDENCY

(BY H. W. WOLFF ESQ.)

Mr. H. W. Wolff has written the following letter to the Registrar, Co-operative Societies, Madras, on the Administration Report for 1911-1912 from Reform Club, Pall Mall. S. W. London, dated 12th March 1913:—

Thank you very much for your new report, which I have read with very great pleasure.

What you say about real security inspired me with serious alarm. Whatever form your societies take, mortgages are not at all a proper security for them to accept. You want a distinct form of society for them. Mortgages lock up your money, which you want to keep fluid and expose you to risks such as have brought more than one European society to grief. One cannot altogether forbid mortgages, but the figure ought to be kept down and in any case they ought to take the shape of collateral or additional, precautionary, security. To have to foreclose would be most inconvenient to the banks.

The register of security value of members that you propose to introduce—in Agra and Oudh they call it "haisiyat"—is likely to prove useful, but ought to be employed only as a temporary expedient. All such mechanical devices portend danger. As Raiffeisen puts it, * such societies can only answer, so long as the Committee, being fully aware of their responsibility and liability, watch over every loan and inquire into the merits of each case. To enable them to do so is why these societies are kept small. If your panchayats have given credit for Rs. 1,000/- when only Rs. 500/- should have been allowed, they have failed to do their duty and if there had been a council, as sooner or later there ought to be, that council would have found them out.

* By "such societies" Mr. Wolff presumably means "any Co-operative Society"—Ed.

On another point, of considerable importance, I go altogether with you. I do not quite know at the moment what is the difference between your central banks and district banks and banking unions. But whatever be the body acting financially for a number of societies, opinion among co-operators of *all* types is *unanimous* on the point that is, the liability should be strictly limited. The gravest abuses may follow from the * alternative course.

In "administrative" Unions you require no "liability" whatever. What should they engage in it for? They are not to carry on finance but inspection etc. For this they require contributions from the constituent societies, but no cash or credit of their own, except a cash balance to go on with.

In urban societies it is wholly for the members to decide whether along with their shares, they will have limited or unlimited liability. In England unlimited liability would be out of the question; it is even illegal. But if in India members of some societies prefer unlimited liability as securing them—which it undoubtedly does—larger credit, there is no reason why they should not. Only they ought to be steadily reminded that they are bound by it, as there may be unpleasant surprises. In Germany and Austria the best—which I call "share banks"—have unlimited liability and do well with it.

You do well to dwell so much upon the necessity of inspection and the duty of societies to provide for it, where they can, out of their own means, as securing them a direct benefit. Only when they pay for it, they ought to carry it out themselves. That is what wants working up to. Government inspection of some sort there will always have to be, to make sure that the law is obeyed. But the inspection upon which you rely for safety ought in the end to be carried out by unions and that will be of greater value—also to creditors—than Government inspection. It is a great relief to find that you are independent of Government assistance in the matter of funds.

In the matter of renewals or extensions you touch upon a rather important point. It is not to the advantage of societies that *banks* should ever appear to have long arrears outstanding. You might very well introduce an additional column into your accounts showing what loans were renewed during the year, so as to have the two things distinct: fresh loans and renewals. Re-loans as you call them, there will have to be, though they should be kept down. Your principle of making renewal dependent upon part repayment is very good, so far as it is practicable.

* Act II of 1912 leaves no room for any alternative course; and therefore there is no risk of the abuse apprehended by Mr. Wolff.—Ed.

The number of your expulsions does not alarm me in the present stage of your development. It shows that societies are strict. Of course one does not expect them to go on long at that rate. However, without strictness there can be no security.

What you say at page 17 about dismal forebodings being falsified is very encouraging, though it is, of course, only what other co-operators like myself looked to as a natural result of co-operation. There is a rare educating and welding-together power in co-operation.

And do not please, be disappointed at the slow progress of the adoption of other co-operative practices. That is bound to come. Of course I look most for development in this direction in the province of agriculture. I had rather hoped that my new book "Co-operation in Agriculture" would be taken up in India as it has been in the United States. However, for some reason or other, the Indian press has passed it over.

I hope you will kindly not take the observations which I have here offered amiss. You will be aware that they are offered in a friendly spirit and rather because I think that you look for them than because I wish to obtrude myself.

UNLIMITED LIABILITY AS A NATIONAL ASSET

(BY H. R. CROSTHWAITE ESQ. I.C.S.,)

Registrar of Co-operative Societies, Central Provinces

A famous statesman once said that the greatness of a country could be judged not from the size and strength of its armies but from the number and reputation of its banks. Even now the banking machinery of India is far from being adequate for the needs of the population. There are, of course, the Presidency and the great Joint Stock Banks; and new Banks of one sort or another are coming into existence almost every day. But these are all concerns which serve the wants of large cities and towns. It is agriculture, as everybody knows, that really supports India. And it is pertinent to ask how far the ordinary banks have succeeded in getting into touch with agricultural interests. To

answer that they have scarcely succeeded at all would be no exaggeration. The reasons for their failure in this direction are not hard to find. In the very first place, the Banks admit that (as behoves shrewd business people) they are well aware of their own limitations. They are remote from the cultivator: and proximity is, of course, the first essential of credit. India is, for the most part, a country of small units; a vast rural area of small villages, small holdings, small dealings, and small incomes. And yet, withal, these same small units make up a huge aggregate. The seed put into Indian fields represents, by itself, a tremendous recurring capital investment; the necessary cattle and agricultural implements are not to be had for nothing: and the value of the produce of each harvest runs into gigantic figures. The commercial position of an agricultural country which can absorb, without apparent effort, (as India can) one fifth of the whole world's annual output of gold is important indeed. Nevertheless it is common knowledge that all is not as it should be with the actual source and fountain head of India's wealth as represented by the humble cultivator. Those who are in a position to observe naked facts know that the Indian peasant is, in truth, suffering from an economic malady of long standing———an insidious disease but an exceedingly dangerous one which must, in the end, prove fatal unless vigorously and continuously treated. The symptoms are complicated, and if the diagnosis is to be correct attention must first be directed to the causes at the root of the trouble.

It should be evident to all thinking men that it is no more possible to injure one part of the community without injuring the body politic, than it is to injure one portion of the human body without injuring the organism as a whole. The doctrine that the ultimate interests of the several classes in the State are opposed to each other was exploded 2300 years ago. Discontent had fastened on certain classes of the Roman citizens who fancied that their special interests were to be sacrificed to secure the betterment of other classes. Some said "The poor can only become richer by making the rich poorer". Others said "The rich can only become richer by making the poor poorer". To both arguments the great Menenius Agrippa replied in the following fable:—"In times of old, when every member of the body could think for itself and each had a separate will of its own, they all with one consent resolved to revolt against the belly. They knew no reason, they said, why they should toil from morning till night in its service, while the belly lay at its ease in the midst of all and indolently grew fat upon their labours. Accordingly, they agreed to support it no more. The feet vowed they would carry it no longer; the hands that they would do no more work; the teeth that they would not chew

a morsel of food even if it were placed between them. Thus resolved, the members for a time showed their spirit and kept their resolution. But soon they found that, instead of mortifying the belly, they only undid themselves; they languished for a while, and perceived too late that it was owing to the belly that they had strength to work and courage to mutiny!"

The moral which this ancient Roman wished to point is applicable to India. If it is admitted (and a reference to statistics of trade, resources, and population must compel the admission) that the prosperity of India is sustained by her harvests then, clearly, the soil itself represents the national belly. The soil supports the cultivator, the cultivator supports the middleman, the middleman the grain dealer, and so on. Where would the lawyers be if the agriculturist had no money to spare for litigation? Who would buy from the merchants of the towns if there was no money in the villages? It is an axiom that the richer the people are the greater become their wants and aspirations. And if our scheme of Indian social reform is not to level down but to level up, not to take away from those who have in order to distribute in infinitesimal driblets amongst those who have not, not to provoke class hatred but to induce all to work harmoniously together for the common good, we shall not have to defend our policy from the attacks of wise and prudent men. Social reform, properly understood, means, quite simply, the policy of elevating the moral character and improving the skilled capacity of the people. The real assets of a nation are not its coal mines or its wheat fields but the skill and character of its members. The State, if it is to be alive and vigorous, must be moulded by its individual citizens despite the assertions of confused thinkers that the citizen must be moulded by the State. These are the principles upon which the co-operative movement in India is founded; and the success which co-operators have achieved is already so remarkable that it is worth while reviewing the methods which have been followed.

When Frederick William Raiffeisen devised his system of co-operation he laid great stress on the educative force and value of the acceptance by small groups of borrowers of "unlimited liability". It must be remembered that it is the main object of co-operative credit societies, with unlimited liability, to create a special form of marketable security. The real purpose in view is to substitute for weak isolated credits one strong combined credit with character and integrity as its main assets. The time for debating as to whether we, in India, can do this has passed and gone. Co-operative societies of this kind exist in thousands, and all who have had experience of their working appreciate

their good effects. The District Judge who found recently that his cause list had decreased by no less than 1100 cases in a single year and was not slow to attribute the fact to the influence of the co-operative societies stands as a witness to the reforming power of "unlimited liability". And from all sides comes testimony of a similar kind. We hear of defaulters expelled from caste, of fellow members saving a weak brother from bankruptcy and disgrace, of dishonest borrowers being soundly beaten by their irate but honest associates. I can point to societies of weavers who seemed, before they co-operated, to be lost to almost every sense of shame. Drunkards and gamblers, they formed an easy prey for the petty usurers who exploited them to the full. Under the influence of "unlimited liability" a new sense of responsibility has been roused, and these same men are to be found exercising a mutual supervision over each other's affairs which does not countenance indulgence in any habit which is likely to cause loss to the society. "Unlimited liability" has created a public opinion where none existed before; and those who know and understand the lives of our Indian artizans and cultivators will know that this in itself is an achievement which cannot fail to be far reaching in its consequences. Already these weavers are asking for improved looms and better material. Recently they asked for help to open their own shop; and when it was pointed out to them that a shop could not be supported unless existing societies were strengthened and fresh societies were formed they (who but a year or so ago were quite without initiative) volunteered to go and obtain recruits themselves. I can point to a society of metal workers composed of men from whom the spirit of industry had been entirely crushed out by usury. They had scarcely come under the influence of "unlimited liability" before they asked for an improved lathe and expressed a desire to advertise. True, we had been able to come to an arrangement with their creditors and to hold out hopes of ultimate solvency; but it was the feeling of strength in association that really rekindled ambition which must have remained cold and dead but for the possibility opened out by the acceptance of "unlimited liability". I can point to rural societies of tenants who were content to sow any seed, however poor, and to promise to pay any rate of interest however high before they came under the spell of "unlimited liability". Now they demand the best seed available either from Government seed farms or private seed farms; savings deposits are being made and reserve funds accumulated and rates of interest are no longer matters for indifference. I have purposely referred to cases in which men of poor reputation have mended their ways when given the chance to do so. For, my object is to point out that "unlimited liability" has a way of fashioning good stuff out of apparently unpromising material. The better the material, the better the results.

The most aggravated forms of the economic malady have been indicated first. The symptoms are not hard to recognize—ill-cultivated fields, inferior workmanship, squalid homes, apathy and listlessness, and the smell of rank usury contaminating the atmosphere. But there are premonitory symptoms which, like those of incipient insanity, do not at once strike the casual observer. A rigid adherence to customary methods symply because they *are* customary, the hoarding of all savings, extravagant ceremonial expenditure, fondness for litigation, and, last but not least, indifference to the advantages of education (I use the term in its wider sense),——these develop, unless checked, into the advanced stages. All give way if, as the doctors say, we "exhibit" the remedy of "unlimited liability".

The first question I would ask the man who clamours for social reform is this. "What axe have you got to grind?" Assuming that we are living in the Palace of Truth the answer will probably disclose the fact that our would-be reformer is of the "have" and "have not" school. Quite briefly, the reforms he advocates are intended to take rights and property away from others in order to bestow them upon himself (first), and his class (next). The schemes of reformers of this class are elementary, but it must be admitted that founded, as they are, on human nature (which is probably very much the same to-day as in the stone age) they cannot be neglected. Hague Conventions and theories of universal peace are admirable. But preparations for offence and defence still remain part of the programmes of Governments while war is not yet a thing out of date. And where the interests of rival countries come into conflict the most efficient country emerges triumphant. The plain fact is that the people of the world are never at peace; for there rages, continuously and unceasingly, a fierce struggle for trade to which there is no finality. It is superfluous to point out that the country which takes least trouble to prepare itself for the struggle must, in the end, sink to a level of unimportance.

If it be admitted that the real assets of a nation are the skill and character of its members it follows that all who desire to take an active part in working for the common good will welcome the avenues for advancement which are opened out by "unlimited liability". They will probably want to know how this potent remedy is to be administered. In the first place, then, if liability is to be unlimited it is essential that it should be extended only to men who have an opportunity of judging each other's merits and defects. For this reason co-operative societies with unlimited liability are generally confined to a single village, and to neighbours who see each other every day and know all about each other's ways and customs. An infant society formed among such people soon begins to exhibit a public opinion of

its own. Should a member be bold enough to cheat his fellows, he soon finds that this new medicine has aroused a contempt for dishonesty which did not previously exist. He finds, perhaps, that his fellow members watch him closely, but that their supervision is always for his moral and material benefit. For instance, he wants to purchase bullocks with money borrowed from the society; the members will not only see that he does buy bullocks, but that the bullocks are good and healthy ones. If he wants to sink a well and takes a loan for the purpose, his fellow members will, depend upon it, see that the well is properly constructed. If he wants to borrow an extravagant sum for marriage expenses his fellow members will refuse to grant a sum larger than he can afford to spend upon ceremony. "Unlimited liability", in truth, makes not only for economy but for the creation of capital by ensuring that money is profitably expended. The principle is this. The borrower is to be given time to pay back his loan out of the profits he has secured from it, and he is to be left the better off for the transaction and not with a dead weight of unproductive debt to carry. In most cases, it will be found that borrowing weakens a man's resources because profits are dissipated before loans are repaid. It is one of the main objects of co-operative credit societies to prevent this. Petty disputes which occur between members are, it is found, no longer taken to the Civil Courts for decision but are referred to the arbitration of the society committee or of a general meeting of all the members. And so it comes about that "unlimited liability" makes for thrift and prudence in a number of ways which are not at first apparent to the casual observer. It is remarkable, too, that in villages where there are co-operative societies a genuine desire for education is soon apparent; for "unlimited liability" brings home, as nothing else can, the pain and penalties which are attached to illiteracy.

It must always be remembered that the co-operative movement in countries where it has attained grand dimensions owed its origin to the fostering zeal of men of superior education and enlightenment who were content to go into the villages themselves and there devote their time to the education of their humble brethren. These workers did not pause to consider what their responsibility to their country was; but they did their utmost, and did not ponder whether their liability for the welfare of the people was limited or not. We, in India, to-day stand in urgent need of more unofficial workers in the co-operative movement. They must be men of zeal and of understanding as well. The two must go hand in hand. Provided a sufficient supply of such men is forthcoming (and I, for one, believe that it will be) the prospects of the co-operative movement in India are great indeed. To quote the words of our King Emperor at

Delhi "If a sound system of co-operation can be introduced and utilized to the full, a glorious future lies before the agriculture of India". And, it may be added not only before Indian agriculture but before industrial interests and all classes of the community. Granted, then, that we have a sound system of co-operative credit societies, the next step is to turn the new kind of security which they offer into a negotiable form. The stream of capital has to be brought down again to enliven the source from which it originally came. Co-operative societies borrow money on the strength of their "unlimited liability" and all the attributes which the term implies. They deal with Central or District Banks formed for the express purpose of financing them. These Central Banks include in membership not only the societies themselves but also leading men who have undertaken the work of co-operative education. The Directors of Central Banks include amongst their number land-owners, lawyers, merchants, and, in fact, men of almost every trade and profession. They work at first without any paid staff, and honorary organizers bear the burden, assisted by the Registrar of Co-operative Societies and his small staff. Next, comes the stage at which Central Banks employ their own staff; and then the stage at which the societies themselves take an active controlling part in the affairs of their Central Bank and contribute towards its expenses. Experience has shown that Central Banks, when well managed, are able to attract capital if not from the open market, at any rate, from a Co-operative Provincial Bank which constitutes the last link between the ordinary financial system and the small society with "unlimited liability". The edifice has been built upon the character of the people; and its growth must depend upon the capacity for self improvement which co-operators exhibit. The movement, as a whole, is a new one in India; but co-operative capital already runs into crores of rupees and progress has not only been rapid but has been pronounced to be sound by competent judges. Co-operation, in conclusion, is a science which deserves the careful study of all who are interested in economic progress. It is a modern weapon which is, at present, in world-wide use. It has been adopted by countries which compete with India in the markets of the world; and it is essential, if India is to keep her place in the race for commerce, that the importance of co-operative interests should not be underestimated.

The Co-operative Movement and its Development in the Madras Presidency.

(By Sir V. C. Desika Charry, Kt.)

To begin with I must say I don't pretend to be an authority on the subject but only a student and a learner. I have been lucky in being connected with the movement almost from the beginning, and for 6 years I was in charge of the Madras Central Urban Bank Ltd. as its Secretary. In that capacity I came in contact with the first two Registrars very often and had the advantage of knowing almost everything that was being done in the Department except, of course, matters confidential. The first two Registrars looked upon the Madras Central Urban Bank as a sort of parent institution and expected it almost from the very beginning to put newly started Societies on their legs. They made it a rule whenever a new society was started to inform the Madras Central Urban Bank of it and supplied it with a copy of the by-laws of the newly started society. During the whole period of the first Registrar and during the first half of the regime of his successor, both of them never introduced any changes before discussing the same with the Board of Management of the Madras Central Urban Bank.

The main object with which the Madras Central Urban Bank was started was to enable the Registrar and his department to start societies with unlimited liability. It will be noticed that the first ten societies started in this Presidency were Societies with limited liability. People were naturally afraid of "unlimited liability" The Madras Central Urban Bank was the 18th Society to be registered and out of the 17 Societies started till then, 14 were with limited liability. The first Registrar found some little difficulty in starting societies with unlimited liability because such societies had necessarily to consist mainly of poor people, with little or no capital and also because well-to-do people were unwilling to join and be reponsible for the debts advanced to their poorer brethern. But for the generous help afforded by the Local Government supplemented by the philanthropic donation of about Rs. 5000 (out of the Rs. 25,000 placed at the disposal of the Government of India by the large hearted Sir D. M. Hamilton for financing early Societies) allotted to this presidency from Sir D. M. Hamilton's Fund it is doubtful if several of the early societies would have commenced work. Even at that early stage when the Local Government were willing to finance the infant societies to a certain extent, the first Registrar, a shrewd and far-seeing statesman,

expected that the stage would soon be reached when the Local Government might not be willing to go on financing and when the registration of more societies might have to be suspended or even given up. To avoid such a contingency he wanted to start a feeder Bank, not a purely co-operative body, but one whose main duty should be to finance Urban and Rural Societies all over the presidency except of course such as could attract funds locally. I know personally with what amount of diffidence the first Registrar went from house to house in Madras and induced 17 persons, each to take one share of Rs. 500 with the assurance that the whole amount would not be called in, for a long time to come. I also know that no two out of the 17 persons met or consulted with each other before taking shares. The first Registrar himself drafted all the by-laws and wrote them with his own hand in a note book purchased by him and an application signed by the 17 persons was sent up to the Government for registering a Central Bank for the whole Presidency. Its capital was fixed at Rs. 25,000 made up of 50 Shares of Rs. 500 each, payable at Rs. 50 a call. In the by-laws there was no provision for loans being made even to the shareholders of the Bank but the only way of utilising the funds, was by lending to the Urban and Rural Societies. I may here mention that what the first Registrar anticipated or feared came to pass very soon, perhaps even sooner than he expected. On the 22nd June 1907, G. O. No. 1584 was issued that Government loans could not be made as a matter of course but would depend on the circumstances of each case. From the published official Reports I am able to say that the Government loans practically ceased on and after 30th June 1908, just a year after the date of the G. O. I said practically because during the year ended 30th June 1909 Government lent a small sum of Rs. 250 to two societies. The total amount lent by Government was Rs. 49,150 or roughly half a lac during the 1st four years, while the sum of Rs. 4,987-8-0 allotted to this Presidency out of Sir D. M. Hamilton's Fund had been exhausted by the 30th June 1908. Out of the 1st 17 Societies started prior to the Registration of the Madras Central Urban Bank Ltd., 15 of them had received Government loans aggregating to Rs. 17,750-0-0 and out of these 15 societies, eight societies had also received an aggregate sum of Rs. 3,000 from Sir D. M. Hamilton's Fund. The Madras Central Urban Bank Ltd., started work on the 13th February 1906 and the Co-operative year then ended with 31st March. During this month and a half the Madras Central Urban Bank lent only two sums of Rs. 1,000 each to two societies. In his Administration Report issued on 5th July 1906, the first Registrar stated——a statement more prophetic than real—that "where money is not forthcoming locally

"The Madras Central Urban Bank is ready to step in and to advance "the necessary Funds." In 1907 the co-operative year was made to end on 30th June instead of as in previous years on 31st March. Thus the period ended 30th June 1907 included 15 months. During this period the Madras Central Urban Bank lent out Rs. 80,900 to 31 societies. The 1st Registrar in his Administration Report for the period ended 30th June 1907 remarked "The Central Bank loans were "given to all societies which required funds and on whose behalf "recommendations were made by me." Out of the 58 societies which were in working order 31 were financed by the Madras Central Urban Bank. To quote again from the 1st Registrar's Administration Report "It is significant that every one of the 24 Rural (cash) Societies "registered during the year, accepted the principle of unlimited "liability; and even of the twelve Urban Societies started two were "organised on the basis of unlimited liability."

The first Registrar thought that this was to a certain extent due to the Madras Central Urban Bank and he was anxious to make it a more popular institution. He advised the Board of management to distribute to the shareholders of the Madras Central Urban Bank an eight percent dividend. This was possible because the called in share-capital was small, as only 3 calls of Rs. 50 each had been made. I may say this had a wonderful effect. Old shareholders applied for more shares and new applications for shares were also received and all the available shares had been taken up by the 1st August 1907 *i.e.* immediately after the payment of the 8 per cent dividend. The Madras Central Urban Bank was advised that its share capital should be increased from Rs. 25,000 to Rs. 50,000 *i.e.* another 50 shares of Rs. 500 each should be floated and in order to widen the basis of the Bank 25 out of the 50 new shares were offerred to those who did not then hold any share in the Bank while the balance of 25 shares was offerred to the old members. These shares were floated on the 1st August 1908, after the annual meeting of the shareholders had amended the byelaw relating to the share capital and after such amendment was sanctioned by the Registrar and by the Local Government. On the 14th October 1907 the first Registrar was succeeded by Mr. (now Dewan Bahadur) R. Ramachandra Row. In the year ended 30th June 1908, thirty-eight new societies were registered while there were 63 in existence on the 1st July 1907; 37 out of the 38 societies were on the basis of unlimited liability. In this year the Madras Central Urban Bank lent to 43 societies a sum of Rs. 1,22,650. In that year's Administration Report the new Registrar was pleased to remark "When funds are wanting "loans are immediately applied for from the Madras Central Bank." During the year societies were organised for the first time in the

districts of Vizagapatam and Godavery. Thus the movement had spread to all the Districts in the Presidency except Malabar and S. Canara. The new Registrar was gaining experience rapidly. During the year ended 30th June 1909 he registered 80 new societies. For the 1st time one society had to be wound up as hopeless. Thus on the last day of the year *i.e.* on 30 June 1909 there were 180 societies.

It was in this year that the Registrar thought that District Banks should be started both for affording financial support to the societies, Rural and Urban, in the particular district and also to serve "as a mofussil administrative body"; and he forthwith carried out his idea by registering 2 District Banks which were also styled Central Banks. One of them, the Salem District Urban Bank, Limited, began work on the 26th January 1909, while the other the Kulitalai District Urban Bank, Limited, in the Trichinopoly District did not begin to work during the year. Personally I was against a District Bank trying to do the double function of financing and supervising Rural and Urban societies in the District. To be candid I was and am still of the same opinion that the double function of financing and supervising cannot be carried on successfully by one and the same so-called central society; and even by the light of subsequent experience this opinion of mine has not only not been shaken but has been confirmed by those who are best able to judge of the work of the District Banks. Notwithstanding this difference of opinion the Madras Central Urban Bank loyally carried out the orders of the Registrar who after all was acting with the best of intentions. On one date the Madras Central Urban Bank assigned loans to the extent of Rs. 90,800 to the Salem District Urban Bank, which loans had been advanced to the various societies in the Salem District by the Madras Central Urban Bank from time to time up to 1st April 1909.

In his administration report the Registrar said that the Madras Central Urban Bank Ltd., "has been working for over 3 years and is "the main source of supply of funds to Co-operative Societies through-"out the Presidency. During the year under report the Bank has "marvelously developed and nearly trebled its volume of transactions. "Its capital has been doubled and it is very popular with the public." At the end of the same report the Registrar summarises as features of special interest in the year's working the following among others :—

1. Two big Rural Societies at Kaveripak and Damal (Chingleput District) which originally were registered with limited liability were reconstructed on their own applications as societies with unlimited liability.

2. Rapid, almost phenomenal, developement of prestige of the Madras Central and Salem District Banks.

3. The winding up of a society, Tenali Stores, the first society to be dissolved in the Presidency.

In the whole report the most interesting piece of information was the result of the enquiry of the Regisrar through his inspectors as to the effect of the co-operative movement on the ruling rates of interest in the various Districts. For this one result, if for nothing else, the movement has to be gratefully cherished and every attempt ought to be made for the spread of the movement into the nooks and corners of every district in this vast Presidency. In the Anantapur District at Bukkapatnam the ruling rate of interest was 18 to 24 per cent. Within 3 years of the society beginning to work the ruling rate gradually dropped to 12 per cent. In Dharmavaram it fell from 18 to 12 per cent. In Pirakarur it dropped from 30 to 18 per cent and in Haresamudrum Va[illegible] 24 to 18 per cent. In the old District of North Arcot in the front [illegible]re of Salavedu and its surroundings the rate of 12 per cent the village duced to 9 per cent. Similarly in Anakkavur and in Sholnt was red 18 to 9 per cent. In the last two places money lendingar fromported to be competing with Co-operative Societies by [illegible]were re lend even at $7\frac{1}{2}$ per cent. In Chandragiri where an Indian Christian School Master was the Secretary of the Co-operative Bank the ruling rate of 65 per cent gradually came down to 24 per cent, while in Talangai 36 per cent gave place to 15 per cent and in Valluvambakkam 18 per cent came to be recognised in place of 30 per cent. In the South Arcot District both in Mudiyanur and Melmalayanur it fell from 18 to 12 per cent. In Bellary where there were then only 3 societies the rate of 36 per cent was reduced to 24 per cent. Coming to the poor District of Chingleput where even then there were a large number of societies working there was all round a drop from 12 to 9 per cent. In the Cuddappa District the effect was simply wonderful. In Nandalur it fell from 75 to 18 per cent, in Madanapallee and Tatiguntapallee from 36 to 18 per cent. In the neighbouring District of Kurnool the rate of 36 per cent was reduced to 28 per cent. In Tirumangalam in the Madura District where a flourishing Urban Bank was working and which place is so near Madura Town, the stronghold of Nattukottai Chettees, the old rate which was anything between 24 to 36 per cent fell gradually to 18 to 24 per cent. Even in the Tanjore and Trichinopoly Districts there have been some reductions. In the five Districts of Vizagapatam, Godavery, Krishna, Guntur and Nellore the Co-operative Societies made no impression upon the ruling rates of interest. In summing up the Registrar remarked: "Where the "societies are new the village rates continue unaffected; where the "governing bodies are timid or indifferent, the result is likewise; other-"wise there is a very appreciable reduction in the rates of interest."

Passing on we come to the year ended 30th June 1910. By this time the movement had spread practically into every District with the exception of Malabar and S. Canara. While the year began with only 180 societies, during the year 198 new societies were registered and one old society wound up leaving at the end of the year 377 societies. In his Administration Report which was the last report of the second Registrar he paid a handsome compliment to the Madras Central Urban Bank Ltd., which increased its share Capital from Rs. 50,000 to Rs. 1,00,000 (a lac) with the sole object of widening the basis of the Bank and inducing more people to take shares. The first 100 shares were of Rs. 500 each. The new 500 shares were of Rs. 100 each and were floated at 10 per cent premium. In less than a month they were subscribed more than twice over, because in the two preceding years the Bank had paid a 10 per cent dividend. The whole amount of the 10 per cent premium collected upon the 500 new shares *viz.* Rs. 5,000 was added to the Reserve Fund of the Bank. The Registrar remarked:—"No stronger testimoney is needed to attest to the "reputation of the Bank." "To-day, it may be asserted, as at the "beginning, that of all the registered societies, the transactions of "the Madras Central Urban Bank Ltd., though the heaviest are the "most efficiently and punctually discharged." Just as the number of societies increased by more than cent per cent, the transactins of the Madras Central Urban Bank also increased in the same proportion. The deposits rose from Rs. 4·45 lacs to Rs. 8·16 lacs and the loans to the Rural and Urban Societies all over the Presidency increased from Rs. 4·57 lacs to Rs. 9·21 lacs. It will be seen that the year has been a prosperous one in the history of the co-operative movement. It is noteworthy that the then Registrar apparently found out the mistake he made in making the District Banks both financing and supervising bodies and while admitting that till then very little was done by way of supervision, his enthusiasm and robust optimism would not permit him to admit the mistake unqualifiedly. The initial mistake he made was in believing that the Madras Central Urban Bank, Limited, had this dual function already. In fact, in his last Administration report he remarked: "The Bank is empowered to inspect societies to "watch if its loans are safe, but as yet it has done no inspection partly "owing to the wide area of the Presidency and partly, if I may add, "to the thorough cordiality of understanding between the Bank and "the Registrar; and the results of the latter's inspections have been

" hitherto accepted by the Bank." I may at once say that there is no foundation or authority for the statement that the Madras Central Urban Bank, Limited, was empowered to inspect societies; starting with this misconception he started 2 District Banks, each to perform in its own District the dual function of financing and supervising Rural and Urban Societies. The impossibility of the due discharge of both functions became apparent to him. He remarked, "Secondly, I expected that "the District Banks will actively supervise the societies to watch if "its loans were safe. But practically much has not been done yet." The above remark was made in September 1910 and we may safely say, that if by that date much had not been done in the exercise of control and supervision by the District Banks over the Rural and Urban Societies in the various Districts, what has since been done is much less. It is not the fault of the District Banks but of the system. From the beginning the financing side was more carefully looked after and very little was done because it was not possible to do much on the side of control and supervision. From the beginning the Registrar made the mistake of grouping the District Banks and the Madras Central Urban Bank under one class viz Central Societies. By this the District Banks suffered. They began to compete with the Madras Central Urban Bank in the matter of paying high dividends; no doubt honestly believing that it would improve their credit. One District Bank which could not find enough money from the current year's profits fell back upon other funds to be able to pay 9 per cent dividend. The District Banks in order to attract deposits had naturally to compete with the Madras Central Urban Bank by offering a higher rate of interest for shorter periods. When even this attempt did not quite succeed the District Banks had to borrow large sums at a higher rate of interest than what they offered for deposits. I ought to say that so far as the Madras Central Urban Bank was concerned the process was just the reverse. It was able to borrow on easier terms than the maximum rate of interest it offered to depositors. Thus it never suffered by the procedure adopted by the District Banks and never therefore had or could have any grievance against them.

That the District Banks with the dual function of both financing and supervising did not quite succeed having become apparent to the Registrar he started the Uttaramallur Union in the Chingleput District. It was to have nothing to do with financing the societies which were affiliated to it. It was nothing more and nothing less than a controlling and supervising body. It has worked exceedingly well. The essential condition of a Union being that only societies situate within a compact area of say a five miles radius could be affiliated to it, the Union was able to organise frequent

inspections and the supervisor appointed and paid by it was able to scrutinise the accounts of all the affiliated societies. But before the Registrar could profit by the light of this experience he was transferred. It was to his unsparing efforts, ardent devotion, indefatigable energy and enthusiastic zeal the success and the spread of the movement were so far due ; but he had to sever his connection on account of the exigencies of public service. In reviewing the year's administration the Local Government have recorded not only their satisfaction at the progress of the movement but also their appreciation of the valuable services of the 2nd Registrar, Dewan Bahadur R. Ramachandra Row Avergal. They wrote: " The early history of the co-operative " movement in this Presidency has been full of promise. Many causes " have united to produce this result, but the Government fully agree " with the Board in considering that the out-going Registrar M.R.Ry. " Dewan Bahadur R. Ramachandra Row Avargal, is entitled to a large " share of the credit for the prosperity of the movement whose deve- " lopment he has guided since 14th October 1907." To any one who has known anything about the movement in this Presidency the above appreciation cannot but appear to be thoroughly well deserved.

He was succeeded by the present Registrar—practically on the 1st March 1911. I believe I am right in saying that the present Registrar finds the Union system--with the sole function of controlling and supervising affiliated societies and having nothing to do with their financing—working well, because he has since started two more such Unions, one at Kilachery and the other at Madurantakam. It may also safely be stated that the present Registrar had not much faith in the then existing District Banks controlling or supervising efficiently the Rural and Urban Societies in the various Districts in addition to their duty of financing them.

(To be continued.)

FOREST PROBLEMS.

(By the Rev. G. N. Thomssen, Bapatla).

The favourite dictum of the Greek sage "The earth is the mother of weeds and the step-mother of useful plants!" is only a half-truth, for the earth has brought forth grass, herb yielding seed after its kind, and tree bearing fruit, wherein is the seed thereof, after its kind. The work of man is to improve grass, herb and tree, and to eradicate weeds and all enemies and diseases of plants.

Every traveller on the Railways of the country will see at a glance that New India is not like the Old India he has been reading about in the sacred books of the land; a great change has been wrought. The great, impenetrable forests of antiquity are not to be found, unless one goes far away from Railways, and even the large forests are becoming smaller. Timber is becoming more expensive, because cultivated acres are taking the place of large tracts that were formerly fine forests, and great problems are facing the Government and the people, and the question of what is to be done to make the country again the beautiful, forest-clad home of Rishis is a problem that is in the minds of all.

The large forests are all controlled by the Government and by Indian princes. Of course where there is much rainfall trees shoot up spontaneously and grow luxuriantly. But Nature's bounty can be abused. In parts of India where famines were formerly unknown, now periodical famines occur. Why? It is sad to say that many of the large forests have been cut down. One of the saddest parts of the country to travel in is the once beautifully-wooded Deccan. During the hot season the heat is so excessive that the traveller in the Railway carriage must close the windows in his compartment to exclude the hot, withering winds. He drinks, drinks incessantly, yet no moisture is on his skin, for the fearfully dry heat, evaporates all perspiration as soon as it comes to the surface of the body, and the skin is as dry as parchment. We know from old books that in past ages the Deccan was covered with glorious forests, forests that delighted the eye, that offered a serene retreat to the hot and weary, forests that gave birth to refreshing rains, forests that had a blessing for all. Even now we find some traces of these forests, but alas one can now travel hundreds of miles in the Deccan and only find parched fields, and even the towns and hamlets where the ryots live are almost treeless. Why? Because the superb forests have been destroyed and the lands have become cotton fields.

Cotton may be more profitable than forests, but a wise Government would have set aside large tracts as a forest reserve. How glorious the Deccan would be, if every alternate square mile were covered with the beautiful primeval forests of ages gone never to return. Probably just as much cotton could be grown on half of the land as is now grown on the whole cotton country, for both the quantity and quality would be much better, if there could be more intensive cultivation. But what is to be done? Government can not now acquire those valuable lands and turn them into forests. So the people will continue to till the beautifull soil, reaping poor crops, and at times no crops at all because the rainfall is so uncertain. The hot winds will continue to have undisputed sway, because there are no green forests to break them as they sweep all before them, blinding all with dust; and blighting all in their way. Oh that something could be done to restore the forests, so that the earth and the heavens might be glad, the fields rejoice and all the trees of the woods sing for joy.

It has become the custom in India to find fault with the Forest Department, but really the department deserves more sympathy than blame. If any one is to blame, it is the subordinate who looks upon the forests as a source of gain. India needs patriotism, especially in the subordinate service. If all coolies, planters, guards, rangers etc., in the Forest Department would realize that they are serving their motherland by improving the forests then the forests would not be in such a deplorable state.

That something must be done to improve the forests of the land all will concede, but how is it to be done. The curse of India is that the people have only one reply to every question regarding economic progress and improvement. The Government must do it. Alas, for the poor Government! Government is to bear all the blame, do all the work, bear every burden, submit to every censure and satisfy every body.

A new era has dawned since co-operation has come to India to stay and to shower her blessings upon the land. Co-operation is not only co-operative credit. So long as the people dream only of money and how to get cheaper loans they are strangling co-operation. Co-operation must be the handmaiden of Government, a handmaiden that will take hold and help in every good work.

Any one, that has known India for thirty years will testify to the fact that, so far as forests are concerned, the country is not now what it was then. Thirty years ago a lovely, sylvan grove of trees was to be found near almost every village. To-day many of the trees have died and others are dying. These groves were called Dharmatopes, or charity groves. Alas, so many of them have disappeared, others have been destroyed, still others

have been turned into tobacco or cotton fields. Now here is where Co-operation must come to the rescue. Government ought to secure all the Dharmatopes as public lands, all tank-bunds, abandoned roads, in fact all waste lands ought to become public property. Now the village officials, and a favoured few, occupy these lands as grazing lands, in fact monopolise these lands that ought to be commons and the poor villagers find it hard to find grazing near their villages, nor do they get firewood, with which to cook their frugal meals. What is to be done?

In America the co-operation of the schools is invoked, Arbour Day has become a national institution. There is no more inspring sight than a school on Arbour Day. All teachers and pupils, are as busy as they can be planting beautiful trees, of which they take care, during the whole year, until the young trees will grow without care. Instead of the present school gardens which are only little show patches for the Inspector's report there might be a great plot for tree planting and each pupil might be encouraged to plant and care for at least one tree annually.

In order to achieve success in beautifying and improving villages by the planting of useful and ornamental trees every village ought to become a co-operative society and the government of the village ought to be in the hands of a co-operative Panchayat just as the government of Unions and Municipalities is largely in the hands of the Union Panchayats and the Municipal Councils. The Forest Department ought to supply plants to schools, locate all wastes near towns and villages, along roads and canals and encourage co-operative planting with trees. Co-operation ought to be taught in every village school; schoolmasters and mistresses ought to be taught Co-operation as they are taught Civics and they ought to be trained to be the leaders in the improvement of forests. If this is done a new day will dawn in India. This new day is dawning and soon co-operation in every good work will be the order of the day.

Some Co-operative Publications.

(BY THE EDITOR IN CHARGE).

With the encouraging development of the co-operative movement in India and the increasing interest which this subject is evoking, inquiries as to the best and most authentic sources of knowledge in regard to the working of the movement in various parts of the world are daily becoming numerous. Literature on this subject is nowhere

so numerous or important as in Germany and Italy. But so far no serious attempts have been made to translate German, Italian and French Co-operative works into English. Statements and accounts of progress of the movement in those countries and others in the continent of Europe have indeed been collated and given in certain English publications. There are, however, a number of books written in English the existence of which, it is desirable, should be more widely known in India. An attempt is here made to guide seekers of knowledge about Co-operative principles and practices in the choice of suitable books.

1. Bibliography.

The International Co-operative Alliance has published in 1906 a most valuable Bibliography, *The International Co-operative Bibliography*, (published by the International Co-operative Alliance, 22 Red Lion Square, London W. C. Price 8*sh.*), of Co-operative books relating to the various aspects of the movement published in the various countries. It is in three languages French, English and German and has in all 5,761 entries. There has been, however, since that time a very large output of Co-operative literature throughout the world and some of these are mentioned in the *Bulletin of the Bureau of Economic and Social Intelligence*, Rome. The Manchester Co-operative Union has also published a leaflet containing the names of the best books on the subject.

2. Periodicals.

Among Co-operative periodicals the *Monthly Bulletin of the Bureau of Economic and Social Intelligence*, published at Rome, under the authority of the International Institute of Agriculture occupies a unique and unrivalled position. It is published monthly in five languages *viz.* French, German, English, Spanish and Italian and is a valuable record of the progress made from time to time in various parts of the world. Every Co-operator and every Co-operative Society that can afford it should subscribe for this Journal. *The Irish Homestead* is a weekly and is a powerful organ of Irish societies. *The Co-operative News* is a well-known weekly journal devoted wholly to the interests of distributive societies in England. *The Millgate monthly* is also an instructive organ. *The International Co-operative Bulletin* published by the International Co-operative Alliance in England will be found to be very useful by all those who wish to know the progress of the movement in all parts of the world. There are besides these other periodicals, the annual report of *the International Co-operative Congress*, the annual report of the *British Co-operative Congress*; and also the *Year Book of International Co-operation* published by the International Co-operative Alliance. The last is a history of the movement in statistics. Here is a list of periodicals:-

No.	Name.	Address.
1	"Monthly Bulletin of the Bureau of Economic and Social Intelligence.	International Institute of Agriculture, Rome.
2	"The Co-operative News, (Weekly)	Long Millgate, Manchester.
3	"Scottish Co-operator," (Weekly)	263, Wallace Street, Kingston.
4	"Irish Homestead" (Weekly)	34, Lower Abbey Street, Dublin.
5	"International Co-operative Bulletin" (Monthly)	International Co-operative Alliance, 146 St. Stephan's House, Westminstor W. C.
6	"Year Book of International Co-operation," (Annual)	Do.
7	"Co-operation in Agriculture" (Monthly)	Queen Anne's Chambers, Tothill Street, Westminister S. W.
8	"The Millgate Monthly"	Long Millgate, Manchester.
9	"Our Circle", (Monthly)	Do.
10	"Report of Co-operative Congress" (Annual)	Co-operative Union, Holyoake House, Hanover Street, Manchester.
11	"Co-operative Wholesale Societies Annual"	Balloon Street, Manchester.
12	"Co-operator's Year Book"	Alliance Chambers, Horsefair Street, Leicester.
13	"Report of Irish Agricultural Organisation Society" (Annual)	Plunkett House, Merrian Square, Dublin.
14	"Report of Agricultural Organisation Society" (Annual)	Queen Anne's Chambers, Tothill St. Westminister S.W.
15	"Report of Scottish Agricultural Organisation Society" (Annual)	5, St. Andrew Square, Edinburgh.
16	"Report of Scottish Co-operative Women's Guild" (Annual)	University Lodge, Dumbarton Road, Glasgow.

3. Biography

Besides the lives of Holyoake and Robert Owen which have been published separately, there do not appear to be biographies of other founders of Co-operation in England and the continent such as Plunkett, Neale, Luzzatti, Raiffeisen, Schulze-Delitzsch and others except as may be found in Co-operative text books. The lives of famous Co-operators is a worthy theme for an enterprising writer.

No.	Name.	Publishers.	Price.
1	Life of Holyoake. ...	Co-operative Union Ltd. Manchester ...	£. s. d. 0 2 6
2	Life of Robert Owen by L. Jones ...	Swan Sonneschein & Co. Ltd., London ...	0 2 6

4. General.

Fay's *Co-operation at Home and Abroad* (published by King and Sons, price 10s. 6d.) appears to be the only book extant which attempts to give a history of all aspects of the movement in all countries.

5. Distributive and Productive Co-operation.

There are many books under this head. Holyoake's *Rochdale Pioneers* is about the most inspiring and we cannot recommend a better book to the intending Co-operator. Holyoake's other books relating to the movement are fairly well-known and are given in the list below. We would specially recommend Pizzamiglio's book for a succinct, clear description of the principles underlying distributive Co-operation. *The Report on Industrial and Agricultural Co-operative Societies in the United Kingdom* with statistical tables for ten years from 1900-1909 published last year by the Board of Trade, Labour Dept. contains an authentic exposition of the actual working of English societies.

No.	Name of the book.	Publishers.	Price.
1	HISTORY OF ROCHDALE PIONEERS by G. J. Holyoake ...	Swan Sonnenschein & Co., Newyork & London.	£. s. d. 0 2 6
2	CO-OPERATIVE MOVEMENT OF TO-DAY by Holyoake.	Methuen & Co. 36, Essex Street, London IV. C....	0 2 6
3	HISTORY OF CO-OPERATION 2 vols by Holyoake.	T. Fisher Unwin No. 1 Adelphi Terrace London.	0 10 6
4	HISTORY OF CO-OPERATION by G. J. Holyoake.	Do.	0 7 6
5	DISTRIBUTIVE CO-OPERATIVE SOCIETIES by Pizzamiglio ...	Swan Sonnenschein & Co., Newyork & London ...	0 2 6

No.	Name of the book.	Publishers.	Price.
6	INDUSTRIAL CO-OPERATION by Catherine Webb ...	The Co-operative Union Ltd., Manchester. ...	£. s. d. ... ...
7	CO-OPERATIVE MOVEMENT by Potter ...	Swan Sonnenschein & Co. Newyork & London. ...	0 2 6
8	OUR STORY by Isa Nicholson ...	The Co-operative Union, Manchester. ...	... ...
9	CO- OPERATION by Joseph Clayton ...	T.C. & E.C. Jack 67 Long Acre, W. C. London	0 0 6 0 1 0
10	CONSUMER IN REVOLT ...		
11	REPORT OF SELECT COMMITTEE ON CO-OPERATIVE STORES ...	... ...	0 3 6
12	REPORT ON INDUSTRIAL AND AGRICULTURAL CO-OPERATIVE SOCIETIES IN THE UNITED KINGDOM WITH STATISTICAL TABLES. ...	Labour Dept. Board of Trade, London. ...	0 1 8
13	CO-OPERATIVE PRODUCTION, 2 VOLS by Benjamin Jones ...	Clarendon Press, Oxford.	0 4 0

6. Co-operation in Agriculture.

Much attention is now being directed in India to the question of the application of Co-operative principles to agriculture. Co-operation in agriculture takes the form of manure, implements and raw material societies which buy wholesale and sell in retail to the members. There is a great variety of such societies and Germany is noted for its possessing agricultural societies of a diversified kind. The best book on the subject is of course Wolff's *viz., Co-operation in Agriculture* which was published quite recently. It is discomforting to know from Mr. Wolff that his book has not been taken up as enthusiastically in India as it has been in other countries, especially in the United States of America. Mr. Wolff has taken subject by subject and has given an admirably lucid account of the progress made in various countries under each head. The next book one could recommend is the *Monographs on Agricultural Co-operation in various countries* published by the International Institute of Agriculture at Rome, the 2nd part of which is still to be issued. Each country is taken and an interesting account is given of the progress of the movement. Pratt's books including his latest on *Agricultural Co-operation* are well-known, all of them having been written specially with a view to instruct English farmers. His *Organisation in Agriculture* is a famous book and contains everything connected with agriculture such as, railway rates, Co-operative and other credit, and co-operative and other organisations among farmers etc., which are discussed with appropriate foreign

examples. His *Transition in Agriculture* gives an account of the possibilities of small holdings and of a better organisation in dealing with egg, fruits and other products of agricultural industry. His *Agricultural Organisation* mentioned before gives the history of the Agricultural Organisation Society of England and the work it has been doing and is expected to do. Denmark is now a byword for agricultural co-operation, where it has attained enormous proportions. Rider Haggard has placed the Co-operative movement under great obligation to him by his entertaining account of Dutch societies in his book on *Rural Denmark and its Lessons*, the 2nd edition of which has already been published. A similar attempt has been made by J. W. Robertson Scott in regard to Holland in his book styled *A Free Farmer in a Free State.* Radford's *Agricultural Co-operation* will serve as a useful introduction to Wolff's book. Smith's *Monograph* and also Montgomery's *Notes on Agricultural Co-operation and Co-operative Agricultural Credit in Germany* referred to in the list below will be found interesting reading.

No.	Name of the book.	Publishers	Price.
1	CO-OPERATION IN AGRICULTURE by H. W. Wolff ...	P. S. King & Son, Orchard House Westminister, London. ...	£. s. d. 0 6 0
2.	AGRICULTURAL CO-OPERATION by G. Radford ...	Do.	0 1 0
3	RURAL DENMARK AND ITS LESSONS 2ND EDN. by Rider Haggard ...	Longmans Green & Co. Paternoster Row, London. ...	0 6 6
4	A FREE FARMER IN A FREE STATE by J. W. Robertson Scott ...	William Heinmann, London ...	0 6 0
5	AGRICULTRAL ORGANISATION by E. A. Pratt ...	P. S. King & Son, London. ...	0 3 6
6	ORGANISATION IN AGRICULTURE by E. A. Pratt.	John Murray, London ...	0 1 0
7	TRANSITION IN AGRICULTURE by E. A. Pratt ...	Do.	0 5 0
8	THE BEST METHODS OF ORGANISATION FOR AGRICULTURAL CO-OPERATION AND CREDIT by Smith ...	Department of Agriculture & Tchnical Instruction for Ireland. Printed by Alex. Thom & Co. Abbey St., Dublin. ...	... ...
9	NOTES ON AGRICULTURAL CO-OPERATION AND CO-OPERATIVE AGRICULTURAL CREDIT IN GERMANY by H.D.F.Montgomery D.L.	Do.	... ...
10	MONOGRAPHS ON AGRICULTURAL CO-OPERATION IN VARIOUS COUNTRIES ...	Bureau of Economic and Social Intelligence, Institute of Agriculture, Rome.	3 fr. 50c.

7. Co-operative Banking.

On the subject of Co-operative banking there are numerous publications. Books by Nicholson, Wolff and Dupernex are well-known and are indispensable to a proper study of the subject. *Co-operative Banking* by H. W. Wolff gives the rationale of Co-operative banking, while his *People's Banks* is devoted to a most valuable history of the movement in various countries. For a clear and useful study of Co-operative banking in Germany, including the famous *Land Banks*, we would recommend a Blue-book under the title of *Report to the Board of Agriculture and Fisheries of an Enquiry in Germany with some notes in German Live stock Insurance* by J. R. Cahill published quite recently. It is a very valuable publication.

No.	Name of the book.	Publishers.	Price
1	REPORT ON AGRICULTURAL BANKS 2 vols. by Nicholson (Sir Frederic).	Superintendent, Government Press, Madras (price Rs. 3-12-0.)	£. s. d. ... ...
2	PEOPLE'S BANKS by Dupernex ...	Thacker Spink & Co. Calcutta (price Rs. 4)	... ...
3	CO-OPERATIVE BANKING by H. W. Wolff ...	P. S. King & Son, London	... 0 7 6
4	PEOPLE'S BANKS by H.W. Wolff ...	Do.	0 6 0
5	CO-OPERATIVE CREDIT BANKS by H. W. Wolff.	Do.	0 1 0
6	AGRICULTURAL BANKS by H. W. Wolff ...	Do.	0 1 0
7	VILLAGE BANKS by H.W. Wolff. ...	Do.	0 0 6
8	PEOPLE'S CO-OPERATIVE BANKS by H. C. DEVINE.	Cassell & Co. Limited London	0 1 0
9	BANKS & PEOPLE by Thomas Farrow ...	Chapman & Hall Ltd. London	0 1 0
10	AN ENQUIRY INTO EUROPEAN CREDIT SYSTEMS ...	Wymen & Sons Ltd. Fetter lane London E.C.	... ...
11	SELECT COMMITTEE'S REPORT ON THRIFT and CREDIT BANK'S BILL ...	Do.	0 0 6
12	REPORT TO THE BOARD OF AGRICULTURE AND FISHERIES OF AN ENQUIRY INTO AGRICULTURAL CREDIT AND AGRICULTURAL CO-OPERATION IN GERMANY WITH SOME NOTES ON GERMAN LIVE STOCK INSURANCE by J. R. Cahill ...	Do.	0 5 0

Progress of Co-operation.

IN INDIA.

CO-OPERATORS DAY.

Co-operators Day was celebrated by the members of the Triplicane Urban Co-operative Society, Ltd., on 13th April, 1913. In the afternoon there was a social gathering, and at 5 P.M. a Public Meeting was held, with the Hon'ble Mr. F. B. Tyabji in the chair. There was a large attendance, those present including the Hon'ble T. V. Seshagiri Iyer, Messrs. T. Vidya Sagar Pandhya, Sadullah Badsha Sahib, G. A. Vaidyaraman, G. Venkataranga Rao, S. Satyamurthi and Rao Bahadur V. A. Parthasarathy Moodaliar.

An Address of Welcome.

MR. K. B. RAMANATHA AIYAR (*President*)

Mr. Ramanatha Aiyar in welcoming the Chairman and the Co-operators said that they were lucky in getting Mr. Justice Tyabji as their Chairman. Referring to the cosmopolitan character of the gathering he said that in that Association there was no difference between a Hindu and a Mahomedan. Even those that minded such differences on other occasions did not mind them on occasions like these. His Mussalman friends had told him that the differences among Mussalmen and Hindus were not at all taken into account among co-operators. Referring to the progress in the work of the Society he said that one branch in Saidapet, one in Mylapore and one in Georgetown had been opened during the last year. Under the auspices of the Society the first issue of the Bulletin of Co-operation had been issued. He hoped that if that was duly supported, it would be a success and it would not be a burden on their finance. He then referred in feeling terms to the lamented death of Mr. A. S. Ponnuswami Aiyar, one of the distinguished workers for the promotion of the Co-operative movement and also to the death of young men employed on the staff. He then referred to one distinguishing feature of this year's co-operators day, viz., the exhibition of agricultural produce and hoped that it would become a prominent feature of that occasion on a grander scale. One other thing he would mention. They should cultivate the true co-operators mind. They should all feel that the Society was run by all the members and not by those who might have been

accidentally placed to run it for a year or two. Shortcomings should be brought to the notice of the directors and if attention was not immediately paid to them, they should simply din their demand into their ears. In running a concern like that they must have a stream of young men coming and doing honorary work of various kinds.

Land Banks.

Mr. G. Venkataranga Rao then read an interesting paper on "Co-operative Land Banks."

The following is a summary :—

He said that the principle of co-operation was familiar to the Indian people and reached a high standard of development in the institutions known as "Village Communities." But its application to the organisation of credit was not as well understood and practised as it ought to be. The duty of every educated Indian was, therefore, to re-kindle the old faith in colllective action and help towards its extension to regions undreamt of by their ancestors. The load of debt in this Presidency was very heavy, and both the small and large landed proprietors were groaning under it. As a matter of fact, the large proprietors were being weighed down with debt even more than the small ones. The remedy for this state of affairs lay in the development of systematic and stimulative forms of banking, based on co-operative principles, which, while financially assisting the encumbered proprietors, would at the same time train them in the habits of self-help and thrift. To give relief to the impoverished proprietors of land, the Government passed in 1904 the Co-operative Credit Societies Act and further extended its scope in 1912. This beneficent measure had already ushered in a great deal of improvement in the rural economy of the country, by cheapening money, checking improvidence, providing a safe field for investment and fostering a higher morality. But the Act was intended to relieve only small proprietors of land and did not in any way concern itself with relieving the embarrassed state of the financial affairs of the larger proprietors. The large landed proprietors in this Presidency, whose number was by no means inconsiderable, were men of no small social prestige and influence, supplying a useful link between the Government and the masses almost entirely agricultural. Their position as proprietors of large estates fitted them to take the lead in agricultural improvements and in the management of industrial enterprises, which the peasant proprietors could hardly be expected to undertake. Though they formed an idle dissipated class in the past they had now begun to realise that if they did not keep pace with the times, they would lose their social influence and importance. But a large majority of this class was hopelessly in debt and stood in need of cheap credit as

much as the cultivator. Their only recourse at the present moment was the capitalist money-lender, who catered to their needs in terms either extremely onerous or else humiliating. If they wanted to improve their condition they must organise themselves into a body and start an Association, based on self-government and common ability in which the borrowers themselves would be members and where the interests of the borrowers and of the lenders would be identical. The possibility of an Association like this for the regeneration of the landed classes was first conceived by Frederick the Great of Prussia, who, in 1769, established a Co-operative Land Bank in Silesia, the landed proprietors of which had become greatly impoverished as the result of the Seven Years' War.

The problems of credit in Western countries were not dissimilar to those of the East. What had been achieved by means of co-operation in Europe could also be achieved in this country. Besides, the remarkable success that so far had attended the experiment of organising rural credit under the Co-operative Societies Act, encouraged the hope that the further extension of Co-operative Credit on the lines suggested would prove a success.

After referring to the attempts that were being made by the Madras Landholders Association for the establishment of a Landholder's Co-operative Bank, the speaker outlined in brief the German method of working Land Banks at the present day. The Land Banks in Germany granted no loans without the consent of the elected Directorate, a consent given only if the borrower's property fully secured the loan. The Banks also borrowed from the public by means of debentures secured on their mortgages, and then distributed the money in loans to their members, the loans being repayable not in a lump, but by annuities. The Banks received interest periodically from their borrowers, with additional amounts for amortisation, and themselves repaid the debenture-holders.

Lastly, the speaker said that if Land Banks were opened in this Presidency, much good would result, and it would prove the beginning of a new era for the progress and prosperity of the landed proprietors of this Presidency.

Help for the Poor.

MR. S. SATYAMURTHI.

Mr. S. Satyamurthi then read a paper on "Are we helping the poor people" in the course of which he said that he could point some new lines of activity for the co-operators. Of course the work done by the Society had been admirable. The Society started with only 14 members and

now had about 2000 members. The annual sales came to about 6 lakhs of rupees, or Rs. 25 per mensem for each member. There was a large boby of people getting an income much below Rs. 25 and they were not helped to the extent to which they might or ought to be helped. To this society the citizens of Madras might well look for the unadulterated supply of foodstuffs. He regretted that the Corporation was not taking more vigorous measures to combat that growing evil. The members of the society got their money's worth and there was no higgling in it ; higgling inaugurated falsehood. The society should extend its usefulness to the poor people. With that view a house to house survey should be made. The wants of the poor people should be studied. The Society should supply them with what they wanted and in such quantities as they wanted. The Society after ascertaining the financial position should help the poor people by lending them money on easy terms and taking it back from them in small instalments, and if there was some sort of moral control in the way in which they spent their money they would not be reduced to miserable straits. Proper facilities for safe investment should be afforded to poor people. The Society might also sell things to such people for credit instead of cash and thus relieve them from the clutches of small retail shop-keepers. The rigidity of rules insisting upon cash payment under all circumstances might be relaxed. Chit fund of 4 or 8 annas might also be started, like the penny banks in Western countries. Those were some of the measures he would suggest for the relief of the poor people and the suggestions should not be considered as having been made out of weak sentimentality for the poor but they were made out of the anxiety that the Society should be a manly device for honest men an equitable opportunity of helping themselves. Their motto should be " Distribution shall undo excess, and each man have enough."

MR. JUSTICE TYABJEE.

The Chairman first congratulated the society on the simplicity of decoration of the Hall in which they were assembled. He also congratulated the lecturers on the very thoughtful lectures they had listened to. There were certain matters on which only experts were entitled to speak—subjects like science, metaphysics and so on. Subjects like Co-operative Credit, land Bank etc., could be easily grasped by ordinary people. But they were not able to reason with correctness on all the facts, because they possessed insufficient knowledge of innumerable facts that were necessary in order to be able to arrive at a correct basis of reasoning. Those matters required careful study. A knowledge of matters of economic interest was essential to one before he spoke on them. One should be wary and careful, before expressing an opinion on matters which might seem very simple at first

sight, but which were beset with extreme difficulties. He congratulated the society on having got gentlemen who had studied the economic questions carefully. He had not devoted much attention to that study and therefore he should excuse himself for expressing no opinion on matters discussed in the papers just read to them. However he would like to point out that the society gave a concrete expression to one of those important matters concerning their life—interchange of ideas and co-operation in work. He concluded his speech by saying "United we stand and divided we fall. Whether it is in the case of economics or matters dealing with money, or conditions of every day home life, it is necessary for us to learn how to co-operate with each other."

Vote of thanks.

With a vote of thanks proposed to the Chairman by the Hon'ble Mr. T. V. Seshagiri Iyer and another vote of thanks proposed to the lecturers and the organisers of the show by Mr. V. S. Ramaswami Sastry the meeting terminated.

The Government Telegraph Employees' Co-operative Society.

On Monday the 11th May 1913, at 12 noon, at the St. Mary's High School Hall, the Hon'ble Dewan Bahadur L. D. Swamikannu Pillai, M.A., B. L. LLB., Registrar of Co-operative Societies, addressed the Government Telegraph Employees who assembled there in connection with the organisation of a Co-operative Society for them. Messrs. R. C. Lees and M. F. C. Smith, Director and Superintendent, respectively of Telegraphs, attended the meeting throughout and took great interest in the proceedings. The Registrar, on the invitation of Mr. Lees who took the chair explained to those assembled the special features of a Co-operative Society for Government servants. Other credit Societies, he said, existed for improving the status and increasing the income of members, they as Government servants could not expect either of these benefits to any large extent since their status as well as their income was determined by their being Government servants. But they could in common with other members of co-operative societies practise thrift by saving a portion of their income, however small, and investing the savings in their Society. As regards those who were prevented by debt from making any saving the Registrar explained that a Credit Society dealt with borrowers much in the same way as a hospital deals with

sick people, that is it looked upon their condition as one requiring immediate relief but though the direct object of giving loans from co-operative credit societies was to set the sick people upon their legs as quickly as possible, the ultimate object was to enable them, by ridding them of their debt, to practise thrift. It would be the duty of the managing committee to see that no member remained chronically in debt. Finally the Registrar exhorted all the members to co-operate with the President, the Honorary Secretary, and the Managing Committee. Members present then put various questions to the Registrar, who answered them in detail.

The Chairman thanked the lecturer and said they were all indebted to Mr. Smith for the keen interest he had taken on the organisation of the society.

The meeting was brought to a close with a vote of thanks to the chair.

* * *

Central organisation in India.

The Monthly Bulletin of the Bureau of Economic and Social Intelligence, Rome, for March 1913, concludes its survey of the central organisations of Co-operative Agricultural Credit Societies in India during the years 1909—10 and 1910—11 with the following remarks :—

"* * * But the rapidity of the development is convincing proof of the vitality of the movement in India and of the capacity of the people for the more complex as well as the simpler forms of the organization. In obtaining capital the local societies are now almost independent of the Government ; in regard to supervision they are still far from being so, but the growth of supervising unions gives promise that the Government may eventually be able to leave the supervision of societies largely to their own central organizations."

Progress in United Provinces.

Mr. H. W. Wolff has written the following letter to the Registrar of Co-operative Societies, United Provinces, which will be read with interest by all Co-operators :—

My dear sir :—Thank you very much for your new Report, which I have just finished reading with true delight. I am now recalling

my interview with the first Registrar in your province, Mr. Hope Simpson, when, full of good will and strenuous intentions, he saw almost insuperable hindrances, in the way. Caste must prevent acting together, and poverty must stand in the way of deposits ! I want if possible, to get the passage on pages 16 and 17 bodily reproduced here. It is delightful reading.

Strictness best Policy.

There is no occasion to enlighten you upon Co-operative principles, because you appear quite to understand them. Where there are unsatisfactory or uncalled for societies, you are quite right to dissolve them. They might damage the movement and scatter weed among your good seed. Altogether strictness is the best policy ; and I am glad that your societies are calling in improperly employed loans. I am delighted to find the District Banks converting themselves into Central Banks, and the *Patti* Societies being split up into genuine local societies. I never like either and you will find your banks doing better under the new system. The small society standing upon its own bottom is the ideal.

Mark of Progress.

The provident funds also are a mark of progress. Not knowing India personally I could not judge if it were ripe for such. You do well to insist upon thorough training and thorough instruction of organisers. People have sometimes expected good fruit from plantlets planted by unskilled hands. But that is a great mistake. You will also require Registrar's inspection—I mean under Registrar's supervision—for a long time to come, especially as in view of the traditional position of the *panch* there is difficulty in introducing supervisory councils. You appear to realise that the better instructed secretary is in some instances growing too large for his shoes. The secretary must of course, be a literate man. But he should not have a say in the disposal of loans, such as he appears to have. No doubt things will improve as education spreads and literacy becomes more general. I do not like those secretaries for a number of societies and as permanent institutions. But at present you cannot do without them.

Tough Job.

I am glad to find you dealing so carefully with the accumulation, and also the employment of reserve fund. That "floating reserve for bad debts" is of course a very useful institution, and I am glad that things have advanced far enough with you to justify its adoption. You are quite right—productive societies represent an extremely tough job, and you must be prepared for some failures. Still they are worth trying for, and one success will make up for a score of failures. Still you seem to be making at any rate some advance, and artisans resorting

to co-operation for credit is a good beginning—though I should not like to see them, as credit societies, developing and applying to one calling only. The more you blend different callings, the more likely are you to have money available when it is wanted. After credit common purchase of rawmaterials should develope and this is almost a half way house to common sale.

Benares Dairy.

On agricultural ground the Benares Dairy seems to be an admirable beginning that ought to incite to imitation. However means should be found for dealing with the unsold milk. Here we manufacture it into butter or cheese. Could it not be converted into *ghi* ? The difficulty of remote districts is of course bound to be a serious one, and one is sorry to see the *sarpanch* exposed to such peril. Another thing that I am delighted to see is the great reduction in the employment of Government money. You also appear to get on capitally without those summary methods of collection that some of your colleagues have injudiciously clamoured for. They would spoil the best part of co-operative results.

New breath of life.

I hope you may find more voluntary workers to come forward to second your labour. The cause is worth an effort. And now that you have very satisfactory firstling results to show, public sympathy should become more general. Your Report had made me very happy. Of course I foresaw the results recorded in it, provided proper methods were resorted to. But now that they are coming, as a new breath of life to Indian society, one is the more delighted.

THE CO-OPERATIVE DAIRY AT BENARES.

The Vishweshwar Co-operative Dairy at Benares is an institution started and owned by Ahirs and not by capitalists. The society was registered in 1911 and the Ahirs have paid Rs. 354/- in shares so far. Excluding the cash credit of Rs. 100 which the Benares Bank has sanctioned and the amount borrowed to build sheds, no other capital is employed. Sales are made only for cash.

The dairy management purchases milk from the individual shareholders (the Ahirs) at ten seers for a rupee and sells to the general public at 8 seers a rupee. Some of the Ahirs and professional dealers were against this movement and tried their best to discredit and injure the organisation by asking the landholders not to allow any more land

to the dairy. But the opposition was overcome by the aid of the district authorities. A rival shop also was opened in the immediate vicinity but as a natural result it is now on the decline.

The dairy has about 100 head of cattle. There are more buffaloes than cows. The outturn of milk now is nine maunds per day but the quantity goes down in summer.

A pucca shed for cattle is in course of construction. When the Ahir shareholders require capital to purchase milch cattle it is advanced to them by the credit branch of the society at 15¾% interest.

A separate society has now been organised to supply pure ghi. This society also belongs to the Ahirs living in the interior districts. Ghi is collected from them and sent to Benares for sale.

Progress for half year ending 31st December 1912:—Five permanent shops have been opened in the city for the sale of pure milk. The total daily sale in all the five shops amounted to 8 maunds, 25 seers. The total produce from the Dairy during the half year amounted to 1,536 maunds, 37 seers, 10 chataks. The ahir shareholders who produced this quantity were paid Rs. 6147-11-6. 31 maunds and 2½ seers were wasted during the period either in retail sale or as surplus. Surplus generally occurs on rainy days and was frequent in July and August 1912 when there was even a little loss. Much interest is evinced by the Ahirs who are members of co-operative society to start the dairy business in several places, but the scheme had to be abandoned for want of means of quick transit.

It is clear that the operations of the Dairy admit of considerable expansion. The dairy management would like to increase the supply to 20 to 30 maunds of pure milk per day or more. The market is also assured and the public is ready to buy the produce. But the question that stops them is *how* to bring this extra produce ? Distance and time have both to be considered.

There are 32 customers at present who have purchased the dairy check books and paid for a month's supply in advance. Customers who want to avoid the inconvenience of making payments every time have only to send a check to the shop and get the required quantity of milk by bearer.

The total monthy expenditure on all heads establishment, cartage etc. amounts to Rs. 207 and the profit, calculating the average yield at 8 maunds a day, is Rs 240 a month. The margin of profit is very narrow. This points forcibly to the need of extending the business.

IN OTHER COUNTRIES.

JAPAN.

The Law on Co-operative Societies.

SOME INTERESTING DETAILS.

The law recognises the legally formed co-operative societies as incorporated bodies and subdivides them into 4 classes :—

(*a*) Co-operative Credit Societies: the object of which is to obtain for their members the capital necessary for their undertakings and at the same time to offer them an opportunity for economising.

(*b*) Co-operative Sale Societies : the object of which is the sale of the produce of their members, submitting such produce to final manipulation or not.

(*c*) Co-operative Purchase Societies : the object of which is the purchase of articles necessary for the industry and commerce of the members in order to sell them again to them ; or even the purchase of articles of the first necessity.

(*d*) Co-operative Societies for Production : which have for their object to submit the produce of the members of the association to a final treatment, or to provide them with the requisites for their undertakings.

The law in spite of this classification permits a co-operative society to exercise at the same time the functions of different classes.

The co-operative societies are exempt from payment of incometax and the tax on business operations, not, however, from registration duty, for which they are assimilated to other incorporated bodies and to associations legally constituted and not seeking profits.

The minimum number of members a Co-operative society may legally have is seven : the founders of a co-operative society must, in the first place, prepare the rules which must then be approved by the perfect.

But the most important part of the new law is that relating to the Federations of Co-operative Societies and the Central Association of Co-operative Societies. This part was entirely wanting in the 1900 law.

Art. 76 of the law of 1909 declares that the co-operative societies may unite in Federations for the following purposes :—

1. To make loans to the federated societies and offer them the opportunity for increasing their economies (Federations of Co-operative Credit Societies.)

2. To sell the produce of the federated societies, in such cases completing the manufacture of the produce (Federations of Co-operative Societies for Sale) ;

3. To sell to the Federated Societies the requisites for their undertakings, in some cases working such produce before selling to members (Federations of Co-operative Purchase Societies) ;

4. To supply the dependent co-operative societies with the requisites for the undertakings of their members (Federations of Co-operative Societies for Production).

The law recognises these Federations as incorporated bodies.

The federation may be founded under the form of a co-operative society with liability limited either to member's contributions or to a fixed amount beyond. If this latter type is adopted, the liability of the dependent societies or of the associated federations must be fixed within the limits of the amount of the members' contribution. A federation may have as members co-operative societies of corresponding type (with the exceptions in favour of federations of co-operative credit societies) as well as other federations of co-operative societies of the same type. The admissions and with-drawals must be decided on in the general meeting of members.

The law then recognises the existence of a Central Association of Co-operative Societies, working as a sole and central institute for the whole of Japan, both for the co-operative societies and their federations.

The law defines the object of this central association, declaring that it is constituted with the object of encouraging the formation of new co-operative societies and new federations, of extending the development of those already formed, and, finally, of facilitating business relations between the societies themselves.

The central association may also take part in the business of the co-operative societies, within strict limits established by Imperial Decree. Its relations to the Federations are similar to those of the Federations to the Co-operative Societies.

Having thus briefly examined the most important details of the 1909 law on co-operative societies let us now see the progress that these societies and their federations made between that date and June 30th 1912.

The total number of co-operative societies, which at the end of June, 1909 was 5,149, rose, in the next three years to 9,394, and this number was divided as follows among the various classes of co-operative societies :—Co-operative Credit Societies 2,676 ; Co-operative Societies for Sale 229 ; Co-operative Societies for Purchase 761 ; Co-operative Societies for Production 117 ; Co-operative Societies for Purchase and Sale 534 ; Co-operative Societies for Sale and Production 152 ; Co-operative Societies for Purchase and Production 54 ; Co-operative Societies for Purchase, Sale and Production 246 ; Co-operative Societies for Credit and Sale 392 ; Co-operative Societies for Credit and Purchase 1,877 ; Co-operative Societies for Credit and Production 22 ; Co-operative Societies for Credit, Purchase and Sale 1,714 ; Co-operative Societies for Credit, Purchase and Production 30 ; Co-operative Societies for Credit, Sale and Production 45 ; Co-operative Societies for Credit, Sale, Purchase and Production 545.

The co-operative societies increased in the three years 1909-1912, at the rate of 1,415 a year. Seeing that the increase in the three previous years was no more than 1,074 and that the number of the Co-operative Societies cannot increase indefinitely, it will be easy to form an idea of the impetus given by the law of 1909 to the realisation of the co-operative idea. The proportion in 1909 of the total number of co-operative societies to the total number of cities, hamlets and villages, then existing in Japan (12,387) was 41·6 per cent. The Proportion had risen on June 30th 1911 to 65·1 per cent. since, while the total number of cities, hamlets and villages had remained almost unchanged, being then 12,385, the number of societies had risen, as we have seen to 8,067. The proportion at the end of June, 1912 was 75·88 per cent.

Course of Instruction and Education.

1. ITALY.

The Institution of a "Course of instruction in Co-operation and Agricultural Mutuality" in Rome.—The *National Committee for Agricultural Mutuality* has taken an important step, initiating a series of lessons and lectures on co-operation, to be given in Rome, in September, 1913. The course will be inangurated by Luigi Luzzatti and will be held in accordance with the following programme ;

(*a*) Legislation in behalf of Agricultural and Mutual-societies,

(*b*) Agricultural co-operative purchase societies, Agricultural produce and the purchase of the same ;

(*c*) Rural Co-operative Credit Societies and the organization of Agricultural Credit in Italy ;

(*d*) Agricultural co-operative societies for production and sale of the produce of the soil ;

(*e*) Agricultural Mutual societies and the organization of Agricultural Insurance societies ;

(*f*) Theory and practice of Book-keeping for co-operative societies and for Agricultural Mutual-societies.

The lessons will alternate with lectures on the following subjects:

(*a*) Livestock improvement Associations ;

(*b*) The state life insurance institute and the development of thrift in Italy ;

(*c*) Agricultural Mutual societies and the Fight against Epidemic cattle diseases ;

(*d*) Co-operative societies for the sale of cattle.

The following will be admitted to the courses as students :—

(*a*) Holders of Certificates or Diplomas from the Higher or Practical schools of Agriculture, Veterinary Surgery and Commerce ;

(*b*) Officers appointed to hold Agricultural lectures for the soldiers ;

(*c*) Normal School Teachers, School Masters, School Mistresses;

(*d*) Members of the Agricultural institutions ;

Any one will be admitted to attend the courses on application.

At the end of the course the pupils will be subjected to examination and those who pass will receive a special diploma.

By this means it is hoped to form a constantly larger number of favourers of the extension of Co-operation and mutuality in the country as has already been done in Germany, Austria, Belgium, etc., where the development attained by Co-operation and mutuality is well-known.

2. GERMANY.

Training of co-operative Functionaries.

The task of developing experts in the German movement proceeds apace, as may be seen from the lecture plan of the Central League of Co-operative Societies for the present year, a plan which comprises discourses on the following range of subjects, allocated to a strong contingent of lecturers; the vital organs of co-operation: their rights and duties; co-operative relations to labour; supervision, control, and stock-taking by supervisory committees; balance striking, capital, power, and shaping and expansion of co-operative societies; tasks and significance of the Central League of Co-operative Societies and its subsidiary unions; district societies and co-operative councils; significance of the Co-operative Wholesale; banking and the intercourse of societies with the banking department of the Co-operative Wholesale; the taxing system as applied to co-operative societies; the methods of propaganda and the co-operative education of members, nature and significance of co-operative societies; co-operative societies and insurance; the social and business importance of cash payment system and the methods of realisation; the alliance between the Central League and the General Committee of trade unions; the social insurance law, with special reference to employees' insurance, as well as the said system of the Central Co-operative League.

It is noteworthy that the plan for this year is an extension of that of 1912, which was the first year the project came into operation During 1912 courses ranging from five to six, and finally to eight weeks were delivered to groups of Board members combined with supplementary courses to members of supervisory committees; and the reception of lectures was so satisfactory as to encourage the organisers to embrace a wider sphere of activity for the present year. In view of the necessity to the movement of expert bodies of functionaries, the work being performed in this direction must be regarded as a development of the first degree of importance.

Co-operation and Thrift.

Matters discussed in the 1911 session of the Board of Agriculture, Italy, and resolutions presented by the Italian agricultural associations.

* * * *

Representation of Agriculture, rural co-operation and thrift.

* * Turning to *rural Co-operation*, we find that the resolutions expressed in regard to it by the agricultural institutions tend towards the foundation of lectureships on co-operation for Co-operative propaganda of the same character as those already existing for thrift. They have it further for their object to effect that the progress of the societies be not hindered by the restrictive interpretations the treasury officers may put upon the favourable provisions. A large number of institutions finally ask that institutes be founded for the compulsory inspection of the co-operative societes, including not only their Book-keeping, but also the real co-operative character of their management. On the proposal of the presenter of the report, and to satisfy the desires expressed, the Board approved a resolution, in which, while applauding the work of the Government which has just founded itinerent thrift lectureships, desire was expressed, (1) that the law in force be amended to simplify the formalities required for the legal constitution of societies, and an explanation introduced into the rules permitting restrictive imterpretations on the part of the Treasury; (2) that provision be made for compulsory iuspection of the rural Co-opertive societies by means of a special institute of inspection, founded, if possible, by the federation of Co-operative Societies.

As to *thrift*, after having examined the resolutions of the Associations, the Board decided to recommend to Government the promotion by means of a more intense propaganda, of the spirit of thrift in the agricultural classes, offering those who register themselves with the National Society for Labourers' Disablement and Old Age, greater facilities with regard to the payment of their premiums.

The future state and the place of co-operation therein.

(PAPER BY MR. SIDNEY WEBB.)

The third of the series of conferences convened by the Southern Section, following the speech of Mr. Maxwell at the Portsmouth Congress, was held at the Memorial Hall, Farringdon—Street, London, on Saturday the 26th April, 1913, when there was a large attendance of delegates from societies and trade unions.

Mr. R. Rowsell presided, and claimed that the efforts of the southern co-operators in organising the three conferences had had considerable effect in showing the desire for greater fusion among all labour movements. There had been no real objection, and he hoped the next step would be taken by the central body of the Co-operative movement. It was no good having leaders if they did not lead.

Mr. Sidney Webb read his paper on "The place of Co-operation in the state of to-morrow."

"The State of To-morrow" depended upon what they all thought it would be. There must be in the State of To-morrow a great deal of deliberate organisation—not out of any disregard of personal liberty and initiative. They had learned that the absence of organisatiou did not mean liberty. The absence of law and organisation involved not freedom, but subjection. The societies had come to believe more in voluntary organisation than they formerly did. They were prepared to admit opportunity and scope for voluntary co-operation of one sort or another. The Co-operators, too, had come to recognise that the "Store" and "Wholesale" could never provide all the organisation that was necessary for any desirable State. Some Co-operators used to talk as if the co-operative movement might eventually provide for all their social needs. Now they were prepared to concede to the Governmental organisations, with their compulsory, in lieu of voluntary, membership, a large place even in the ideal State.

The big thing that all of them desired to alter was the state of subjection in which the great mass of those who actually produced the wealth by which they lived now found themselves. It was not merely that quite half the annual income was taken by one-ninth of the population, and that two-thirds of the people had to content themselves with one-third of the produce. Out of that penury and subjection they intended, in the State of To-morrow, te get sufficiency and freedom. That weuld not come about by a reversion to Individual Production. They were necessarily going to be "members one of another" to a far greater extent even than they were at present. He looked for the practical disappearance of that control over industry, and therefore over life, which was now arbitrarily exercised by the individual capitalist. That was really a matter of the growth of Democracy. The Co-operative movement owed much to the apostles of the self-governing workshop; but the self-governing workshop was not adapted to the common run of industry. This form of Co-operation could not be made applicable to the industries requiring extensive capital, a distant or a foreign market, or production on a large scale. Such societies must be in sharpest competition with one another and (for the present)

with private enterprise. The advocates of that form of co-operation did not mend the case to any appreciable extent by this or that compromise with the mammon of Capitalism or the invention of new phrases. Associations of producers would always exist, but they would be in select and small industries, and would not be of statistical importance.

Mr. Webb then recited the success of the Store and the Wholesale. It was gratifying to see the Associations of consumers succeeding even in London. He wanted to see them take up the distribution of books and newspapers, the provision of cooked food and light refreshments, the dispensing of medicines and drugs, and the burial of the dead. He looked to see the productive departments develop until the movement administered five hundred millions sterling. A good co-operator could not remain outside the trade Union. The essential feature of co-operation was its Democracy. The voluntary association of consumers was not applicable unless there was a real constituency of consumers who were prepared consciously to co-operate and to direct their own concern. One-sixth of all the workers were producing for export. They could not expect to bring their industries under the democratic control of the consumers unless they fancied that the Negroes in Africa and other races organised locally into Associations of consumers. To secure the State of To-morrow they could not rely exclusively on voluntary co-operation. They would have to give up the old idea of Government as being merely Penal Laws and soldiers and civil servents. Government was only Co-operation made universal, and the Manchester Municipality was as much an association of consumers as the Manchester and Salford Co-operative Society, and as truly under the democratic control of the consumers as the C. W. S. itself. In the future there would be municipal provision of streets and roads, of paving and lighting, of draining and cleansing. The local government would provide everything required for the healthy rearing of infants. It would have its extensive estates in the country, its own slaughter-houses, bakeries, and milk depôts, and it would probably distribute milk and bread to every house as economically as the the Post-Office dealt with letters. It would have its own clothing factories; but it would be open to any co-operative society to supply whatever its own members desired. The central government would gradually assume certain great services of national scope, such as transport, mines, shipbuilding, iron and tin mines, and other industries that could easily be merged into a government department. Just as he expected the capital under municipal administration to, in the course of a century, increase five-fold, and that under co-operative administration increase ten-fold, so he expected that under the central

government administration to increase twenty or thirty fold. There was need for a keener sense of the universal duty of work. A century ago neither the democratic Co-operative Society nor the municipality was within the bounds of possibility. Therefore they could hope that in the next hundred years there would be as great an advance in the capacity for democratic self government as had occured in the last century. The greatest value of the co-operative movement was the citizenship it created. But it had also left something undone. There were too many Co-operators who cared only for the dividend, and there were too many committee men who ignored the duty to foster and encourage Trade Unionism, and to throw their influence in favour of getting a legal minimum wage and an eight-hours day. Some did not seem the know that the growth of national services were only manifestations of the Co-operative Spirit that would have its place in the State of To-morrow.

The Forty-fifth Annual Co-operative Congress at Aberdeen.

The Forty-fifth Annual Co-operative Congress opend in the Music Hall, Aberdeen, on Monday the 12th of May 1913, at 9-30 a.m. At the appointed hour the body of the hall was well filled with the 1,500 delegates, whilst the surrounding gallery was crowded with interested visitors. The platform was a fully representative one, and in addition to the leading British Co-operators, there were the following representatives from Co-operative organisations abroad :—Mr. Karl Arola (Finland), Mr. A. J. Clenet (France), Messrs. C. Reimaun, E. Scherling, and H. Bastlein (Germany) and Messrs. K. G. Rosling and H. J. Hedborg (Sweden). The International Alliance was represented by Mr. W. Maxwell and Dr. Hans Muller; the Trade Unions Congress by Mr. J. Cairns; the National Union of Teachers by Mr. G. T. Hyden; The Labour Department of the Board of Trade by Mr. J. J. Dent; and the Registry of the friendly Societies by Mr. H. C. Sonter. Others on the platform at the opening of the proceedings were the Chairman of Congress (Mr. James Deans), the Deputy-Chairman (Mr. W. Openshaw), Mr. J. Shillito (Chairman C. W. S.) Mr. A. Whitehead (General Secretary, Co-operative Union), Mr. T. Horrocks (assistant-secretary); and members of the Central Board of the Union. The civic head of the city, the Lord Provost, (Mr. Adam Maitland), occupied a seat on the left of the Chairman, and extended a hearty welcome to the congress.

President's address.

Mr. James Deans, the president, in the course of his address said that there must be no countenance given to the opinion that "the day had gone when the influence of sentiment should have any weight in conducting the trade of a co-operative society; that it was quite legitimate to buy in the cheapest market, irrespective of whether or not such market was within or without the sphere of co-operation." If ever the influence of sentiment became extinct in the trading affairs of co-operation, then the career of Co-operation as a great industrial and social organisation would be drawing near to its close.

Proceeding to deal with one or two objectionable practices within the movement, Mr. Deans said the system of terminable appointments on boards of management was one of the most pernicious in as much as that practice removed the competent men from the board. Then he condemned the credit system of trading. He urged upon the appointment of auditors personally independent of the committees or the members of the societies. To make the auditors a semi-independent class, he said that: (1) auditors should be either public auditors or chartered accountants; (2) auditors of societies should, as far as possible, be under the control of the Co-operative Union; (3) societies should apply to the Union for a qualified accountant to act as auditor; (4) the auditors should report to the committees of societies when their rules are infringed. Another objectionable growth was the deplorable system of overlapping the competition by societies. As regards overlapping the societies, the only possible and practical remedy was the amalgamation of societies in congested districts.

Mr. Deans then turned to the question of the advance of rival trading systems such as the trust system. He said that the power of the trust is growing, and that we must be ready for the battle when it comes between ourselves and these cooperative trading systems, that are formed for the profit and the financial power of the individuals.

Looking to the future, Mr. Deans said, he had a strong and deeply rooted impression that a new and wider policy was necessary in relation to future developments of production. The object of the new policy ought to be the widening of the scope of production until it included absolutely all the requirements of the retail societies and of public bodies.

Another matter which called for attention was the policy of trading almost exclusively for profit, for the purpose of securing good return to the members. If co-operation had to fight its opponents with the

weapon of prices, this policy would have to be changed. It would require the supply of goods of good quality at prices supplied by other trading concerns. If not co-operation will suffer.

Then Mr. Deans went on to say that politically the workers in the cause of co-operation should have no other party than one homogeneous whole and they should have no other social or trading party. "Let us," concluded Mr. Deans, "take courage and then to face the tasks before us. Profiting by our visit to this granite city, let us go hence resolved to build our co-operative movement strong and firm to withstand the assaults that hostile interests are bound to make upon it. Let us remember and abide by the principles that have guided the movement through its past difficulties to its great achievements; but let us think less of the difficulties of the past than of the obstacles that are likely to be thrown across the path of our future progress and let us think less of the achievements of the past than of the countless undertakings calling for the application of co-operative methods now. Let us treasure the ideals of those who made us what we are, and, practising what we preach, let us make Browning's prayer our own: Make no more giants, god! but elevate the race."

The following resolutions were passed:—

1. That this Congress (*a*) accepts and approves the report of the Central education Committee and urges Societies to adopt its Educational Programme; and (*b*) either through their local co-operative educational committees or through their General Committees to establish such classes as are necessary for the training of such employees and development of true membership in Co-operation: (*c*) Further this Congress would urge the Central Education Committee to press forward the utilisation of Holyoake House as a centre of co-operative instruction and inspiration.

2. That this congress expresses its satisfaction that the Industrial and Provident Societies (Amendment) Bill has once more been introduced into Parliament and accepts the assurance of His Majesty's Government that it shall be passed through all its stages during the present session—a course which, in view of the House of Lord's decision renomination is imperatively necessary in the interests of the co-operative movement.

3. That this Congress agrees to abolish the Credit Committee, and the question of Credit trading be relegated to the various sectional boards.

4. That the applications of the Windermere Co-operative Society, Limited, to be transferred from the Northern to the North Western Section, and the King's Lynn Co-operative Society from the Midland to the Southern Section be agreed to.

5. That this Congress believes that the best way to deal with the minimum wages question is by legislation, and urges upon the Government to introduce a Bill at an early date to bring about a national minimum wage.

6. That this Congress endorses the efforts now being made by the Co-operative Union and other bodies to secure a closer union between the forces of organized labour and the co-operative movement, believing that it is only by combined and persistent effort in this direction that advantages gained by organisation and sacrifice can be permanently secured to the members, and the future interests of the wage-earner adequately safeguarded.

Mr. E. O. Greening (London) moved for an amendment of the above resolution *viz.*, to omit the words after "Congress" in the resolution, and substitute the words—whilst approving of concerted action with trade unions and other organised bodies for raising the status of labour, cannot sanction union with the political Labour Party; and that the Central Board be instructed to strictly maintain the neutrality of the movement in respect of party politics, so that political dissension in our ranks may be avoided.

There was a very hot discussion over the amendment, and they were prepared to accept the verdict of the majority and abide by their decision. Then the amendment was put to vote with the result that 1,358 voted for, and 580 against, the amendment.

7. That in view of the unrest, friction, and inefficiency characterising the present competitive organisation, the Congress recognises the time is ripe for great steps forward in the development of Co-operative production in all its forms, and calls upon all co-operators to consider earnestly the best way of promoting the growth of all forms of associated work, including the existing forms of productiou by stores, wholesale and independent productive societies. It also suggests to the Union that Mr. Harrison's paper be reported to the sections for consideration during the coming year.

CIRCULARS.

R.O.C. No. 5094|12, Dated 8th March 1913.

I.—Inspection by Inspectors of Rural Societies.

1. Inspectors should understand that flying visits to societies should be avoided and that mere mechanical audit of the accounts, figures and vouchers is not sufficient for finding out the actual progress of work in each society. Whenever Inspectors visit societies, they should thoroughly overhaul the accounts by examining the documents executed by members in support of debts due to the society, and should see whether proper steps have been taken for the punctual recovery of the dues in the shape of interest, principal or part-payment of principal.

2. Inspectors should regulate their touring in such a way that each of the societies in their charge may get its turn of inspection at least once in three or four months, and their stay at head-quarters should be utilised for the inspection of the societies within a radius of five miles from head-quarters. The section office will scrutinize the tour programme, the diary and the travelling allowance bill and unless the programme is suitably arranged and carried out, travelling allowance will not be passed for frequent visits to a few favoured places. Inspectors should also arrange for more frequent inspection of societies with weak panchayats or a bad reputation. Good societies which have proper human material need be inspected only once in a half-year The inspection should be thorough and the following points should be dwelt on in each inspection report:

(1) Whether a society should be given additional loan and for what purposes. The amount to be given for the repayment of old debts should be specified as also the amount to be allowed for short-term loans;

(2) whether in consequence of the society being an institution controlled by one man, the transactions should be restricted;

(3) where the human material is unsatisfactory, whether the society should be allowed to dissolve itself by prohibiting the grant of fresh loans to members and by not sanctioning additional loans from the financing agency;

(4) whether all the members have received the loans applied for by them, as far as the same was possible, or whether panchayatdars have appropriated large sums for themselves.

3. The Inspectors should (except when a surprise visit is necessary) notify their programme to the societies a week in advance so that their arrival and stay may be known to the members.

4. Their attention is drawn to the points mentioned in the prescribed inspection report form published in pages 198 to 204, part I, volume IV (Bulletin.)

II.—Organisation.

5. The attention of Inspectors is drawn to the instructions of the Registrar contained in the Bulletins noted below:—

Volume I, part II, pages 65 and 66.

Volume III, part III, page 264.

They should also study the instructions to honorary organisers contained in Bulletins—

Volume III, part II, page 203.

Volume III, part III, pages 268 to 270.

Volume IV, part I.

Volume II, part IV, page 288.

6. A revised property statement is appended which form should be used (1) at the time of organisation, (2) at the time of starting a society, and (3) whenever loans are applied for. A permanent register should also be maintained in each society in this form.

III.—Loans.

7. In supplement of the instructions already issued in the Bulletins as noted below:—

Volume I, part I, page 22;

Volume I, part II, pages 57, 58 and 59;

Volume I, part II, paragraph 2, pages 60 and 61;

Volume I, part II, paragraph 64 and paragraph 13;

Volume I, part III, page 121, paragraphs 9 and 11;

Volume III, part I, page 48;

the following instructions are issued. They are not meant to be enforced as hard and fast rules but their observance will be helpful in ensuing steady progress in co-operative work.

8. (1) Loans to cultivators are of two kinds—

(a) *Short-term loans*—such as loans for seed, food, cultivation expenses or cattle fodder. Such loans must be repaid in full at the harvest of the crop for which they were issued or as soon as the produce can be profitably disposed of. Loans for kist payment fall under this category. If the panchayat is able to make suitable arrangements for proper and safe storage, repayments in specified kinds of grain may be taken and the value, realised by sale when the market is favourable, can be credited in favour of the borrower.

(*b*) *Long-term loans*—for the liquidation of prior debts, for house building, for the purchase of cattle or carts and for other purposes which will continue to be productive for several years, such as the sinking of wells and purchase of land. Such loans can be allowed to be repaid in from 2 to 5 years in equal instalments which should be carefully fixed by the panchayat. The panchayat should not grant extension unless the instalment and the interest due are paid in full and the period of extension should not exceed the term sanctioned at the time when the loan was originally granted.

(2) *Loans to artisans*—may be granted for the purchase of implements or raw material and for the liquidation of their prior debts. Such loans should not be granted for more than a year at the most and the loans should be made repayable in 4 or 6 equal instalments spread over not more than 12 months.

(3) *Loans to traders*—may be granted for the purchase of stock in trade and such loans should not be granted for more than a year and they should be made repayable in equal monthly or quarterly instalments.

(4) *Loans to wage earners or workmen*—should ordinarily not exceed four times or five times their monthly income and repayments may be allowed in 16 or 20 monthly instalments. In the case of really trustworthy men, repayment by the recurring deposit system in 24 or 45 instalments may be permitted.

(5) *Loans to weavers*—for the purchase of yarn can be given to be repaid in full every week or every fortnight.

9. The panchayat is advised to note the following suggestions and to carry them into effect:—

(1) No member should receive a second long-term loan until all other borrowers have received or declined loans.

(2) Repayment of loans by adjustment or renewal of bonds should not be allowed except in extraordinary cases for which adequate reasons should be recorded by the panchayat.

(3) The initial period for repayment should be fixed after careful consideration with reference to the purpose of the loan and the suitable season for repayment by the borrower. When an extension is applied for, it should not be granted as a matter of course but the

reasons for not fulfilling the original engagements should be scrutinized and only when the management is satisfied that the borrower cannot repay for causes beyond his control, should extension be granted: care should also be taken to see that the status of the borrower has not deteriorated since the loan was first granted.

(4) The amount of loan admissible to all the members of an undivided family should not exceed the maximum loan admissible to a single member under the by-laws of the society.

10. Long-term loans to panchayatdars, their near relations (such as undivided coparcener, wife, divided son, son-in-law), dependants and servants should not be sanctioned except with the concurrence of the general assembly or (where it exists) the Council of Supervision. The members of the society other than the panchayatdars will then be in a position to prevent the appropriation of large sums of money by the panchayatdars and it will be possible also by this means to secure a fair distribution of the loan among all the eligible members. Societies are advised to amend their by-laws suitably.

IV.—Security.

11. *Short-term loans*—can be given on the security of two sureties as surety loans to facilitate the work of co-operative societies and prevent the delays resulting from mortgages of immoveable property. Besides, persons who have no immoveable property can be given loans only on the strength of personal sureties.

(1) The safety of surety loans will disappear unless the panchayat and the members of the societies take every property to assure themselves that the loans are not misapplied and that the dealings of every member with the society are honest.

(2) Strict punctuality in repayment should be enforced and extension can be granted only in very exceptional cases and for grave reasons. Each extension moreover requires the consent of the sureties in writing.

(3) When any one of the sureties dies or ceases to be a member, the borrower should be called upon to execute a fresh bond with fresh sureties and in case of his failure the loan account should be closed and steps taken for the recovery of the debt. When the borrower dies, steps should at once be taken for recovering the dues from his heirs or from the sureties.

(4) Where the borrower or his sureties are marksmen, the bond must be attested by at least three members of the panchayat and the thumb impressions of the borrower and the sureties must be taken.

(5) The witnesses to such bonds should never be marksmen.

(6) The amount for which a member can stand as surety should not exceed that provided in the by-laws and where no provision has been made in the by-laws it should not exceed twice the amount which the member is eligible to borrow.

(7) The by-laws should be amended in this direction wherever provision has not been already made in the by-laws for a pecuniary limit to suretyship.

(8) In any case the amount for which a member is liable as a borrower and ex-surety should not exceed the value of his property as entered in the property statement.

(9) A register has been prescribed to show the outstanding liability of each member as principle debtor and as surety. This register should be maintained by each society and carefully scrutinized by Inspectors.

V.—Long-term Loans.

12. Long-term loans should not, as a rule, be granted on mere personal security. In exceptional cases, however, of big land-holders about whose solvency there can be no doubt whatever, long-term loans can be given on surety loans. In the case of ordinary ryots with moderate landholding, it is safe to insist on real security being furnished in the shape of first mortgage of immoveable property; such a rule gives protection to the Central Banks which lend money to rural societies and avoids possible loss to the members of the society who are practically sureties for all leng-term loans given on personal sureties and who cannot be expected to be always watchful. If long-term loans are given on the strength of personal sureties, there is a temptation to the parties to pledge their property outside the society and to borrow further sums from private money-lenders. Private lenders will not advance to these members on personal surety, since their personal credit has already been utilised by the society and they have to pledge their immoveable porperty: the observance of the above instructions will prevent members of rural societies from contracting further debts with private money-lenders.

13. In giving loans on the security of immoveable property care should be taken to select such immoveable property as is likely to give a return. Loans on the mortgage of houses should not be given unless the borrower has an earning capacity and the amount of loan to be given in such cases will depend upon the power of the borrower to repay it within the period for payment. In fact, no money should

be lent about the recovery of which there can be any room for doubt or uncertainty.

VI.—Loans for the repayment of old Debts to be Regulated by the Panchayats.

14. The panchayat and the members of rural societies should bear in mind that the main object of co-operative banking is to bring capital into brisk circulation and to increase the earning power of the people by teaching them to make better use of, and get a regular return from, their money. This object cannot be achieved unless loans are employed in purely productive work. The loan can then be paid back out of profits and the borrower will, as the result of his loan, be better off than he was before.

15. If a member has previous debts, such debts can be discharged gradually by accumulating savings in the society. The system of utilising the major portion of the money available in a rural bank for the repayment of old debts is deprecated and wherever such a system prevails, there is mere stagnation of money and the society becomes a money-lending shop though on easy terms of interest. The members of a society should not be allowed to have debts outside the society nor should they contract outside debts after they have joined the society. Money should therefore be provided for all reasonable wants of the members so that they may deal exclusively with the society. To secure this end, those members who wish to be freed from the clutches of a moneylender who will not reduce his rate of interest or will not permit the repayment of loans in instalments may be asked to transfer their debt to the society which will undertake to clear it gradually as funds are available and the members who effect such transfers should continue the punctual payment of one-tenth or one-fifth of the debt amount just as if it had been advanced by the society together with the rate of interest provided in the original bond. The society will pay over to the creditor the interest as received and also the instalments of principal if he is prepared to receive them. If he will not receive instalments the society will accumulate them to the credit of the borrower until it has funds from this or any other source sufficient to pay off the debt in full. When this has been effected, the society will become the creditor of the member and will charge him the rate of interest fixed by the by-laws; till then the society will be merely an agent for payment of the borrower's instalments. A borrower who is regular, has everything to gain and nothing to lose by this transaction, since. The more regular he is, the sooner will the society be induced to discharge his prior debt and it will at any rate advance him money for improving his land whereby he can pay up his instalments more easily.

16. The panchayat should, while accepting the agency for payment of instalments, closely scrutinize each case and see how far the prior debt can be redeemed from increased profits in the course of five or ten years. Wherever such a course is not feasible, the panchayat should advise the member to discharge his debt by the sale of a portion of his property and should not be the agency for payment of instalments. The adoption of this procedure will give facilities for the society to bargain with private creditors and make a settlement to the advantage of the debtor members.

17. The transfer of prior debts bearing heavy rates of interest to the society at a less rate is permissible if the society be properly secured against loss. A careful enquiry should be made in each case into—

(*a*) the original cause of debt ;

(*b*) the previous efforts made by the debtor to discharge principal and interest ;

(*c*) the rate of interest ;

(*d*) the property mortgaged as security for the debt ;

(*e*) the value that the property is likely to fetch at a forced sale;

(*f*) the terms of the mortgage ;

(*g*) the name and residence of the mortgagee ;

(*h*) the amount the debtor can afford to pay towards liquidating his debt and the amount he must obtain from the society to supplement this, so as to satisfy his creditor ;

(*i*) if the probable value of the property at a forced sale is not at least twice the amount of the loan required from the society, whether the debtor is able to provide further security by a further mortgage ; and

(*j*) the time required to repay the loan from the society.

18. The panchayat will, with reference to the money at its disposal, discharge the debts in the order of urgency and importance.—

(1) Debts by way of mortgage with possession will have precedence in case freedom from such mortgage will place the debtor in a better position to discharge the debt.

(2) Debts carrying a high rate of interest will have precedence over debts carrying a lower rate of interest. Even after the private

creditor's bond is paid off by the society, the debtor may, by way of additional caution, be required to pay the old rate of interest provided in the original bond ; but the difference between that and the society's rate will be credited in favour of the member as a deposit or saving till the entire debt is cleared.

19. This scheme, if worked out by societies, is sure to inculcate thrift and to make the members realize that the discharge of debts by small driblets is possible only with the help of the society. Besides in this way the panchayat will not be open to the accusation or the suspicion of partiality in the distribution of loans. The rich and the poor will have equal chances of getting loans and the latter will not be placed at a disadvantage as they are at present. But the scheme entails of course a good deal of patient enquiry and the exercise of much tact and discretion on the part of the panchayat. All reasonable help should be afforded by Inspectors to panchayatdars in working out the scheme.

VII.—Cash Credit system.

20. The reasonable demands of agriculturists and others in a society should be met in full at all seasons of the year and money must be made available to this end throughout the year. This can be secured by distributing the maximum borrowing power or the credit of a society between the two heads noted below :—

(1) Amount required for *long-term* loans.

(2) Amount required for *short-term* loans.

21. The latter amount must be fixed with reference to the portion thereof which each member requires and which may be called his cash credit, namely, his standing requirements for productive purposes. The balance available should alone be used for long-term loans. Each member should be given a cash credit for a year up to which he can borrow anytime during the year and the panchayat should revise the credit every year. The cash credit so fixed should not exceed the member's borrowing power under the by-laws. A member is free to re-pay his loan even before the due date thereof. If this system is worked with care, each member will in each succeeding year need less and less by way of cash credit, that is, if he is really careful and saves something by getting loans at cheap interest for productive purposes. Each society may secure from its central financing agency similar cash credit for itself as a whole and the financing agency will then be prepared to receive at all times of the year whatever is repaid by the society out of its cash credit and renew the credit or a portion of it as

often as necessary without requiring every time a fresh recommendation from the Registrar.

22. The amounts provided for short-term and long-term loans in rural banks should be kept distinct and accounted for separately and should not be interchanged or enhanced without the sanction of the Registrar. It will be advisable for each society to frame suitable by-laws to this end. Societies already registered may gradually work out the system by crediting their collections to the shorter-term loan account until the amount fixed by the Registrar in each case is reached. When there is no demand for short-term loans, the amount collected under that head can be remitted to the financing agency and drawn upon again when required without a fresh recommendation. The central financing agencies will be requested to give facilities for working this system and Inspectors will instruct panchayats in the details of the system and introduce it into all societies which are capable of working it.

23. The cash credit of each member should be fixed every year by the panchayat when the property statement is revised and provision is therefore made for this information being inserted in the form prescribed for the property statement.

VIII.—Registers and Accounts.

24. Instructions have been issued in Bulletin Volume II, Part 1, in departmental order No. 8, in regard to the registers and accounts to be maintained. The registers are—

1. Minute book.
2. Admission book.
3. Cash book.
4. Receipt book.
5. Loan ledger.
6. Borrowings ledger.
7. File book (letters).
8. File (vouchers).
9. Audit order book.
10. Share application register.
11. Loan application register.
12. Property statement register.
13. Letter book (office copy).

No. 12 has been revised suitably to show the assets and liabilities of each member and also to fix the amount allowable to each member under the cash credit system. This form will be printed and supplied in bound books by the recognised printers to societies.

Register of Outstandings of each Member.

25. The form now prescribed will be printed and a sufficient number of these forms will be supplied to the societies on their indents by the printers who will keep a stock in reserve.

Receipts and Disbursements Register.

26. This register should be written up daily and totals will be made up every month. Inspectors will see that this register is maintained throughout the year as such a course will facilitate the preparation of the annual return. This is merely an analysis of the cash book to be posted daily and the totals of a month should be struck at the end of each month. Provision is also made to secure progressive totals.

27. A *pass book* may be issued to each member of a society in which will be shown the deposits made by each, the loans advanced and the repayments made. A suitable form of pass book will be found in the appendix. Copies of the pass book will be printed and kept in stock by the recognized printers.

L. D. SWAMIKANNU,

Registrar.

CIRCULAR TO ALL SOCIETIES.

R. O. C. No. 435 of '13, Dated 29th April 1913.

All the Co-operative Societies are requested to observe strictly the following particulars in sending remittances to Central and District Banks:—

1. To write clearly and distinctly the full name and the number of the society.

2. The purpose for which the remittance is sent.

If the societies fail to give the information required in items 1 & 2, the amount sent, will be kept in suspense account and the society will get no interest.

APPENDIX—I.

The First Northern Circars Co-operative Conference.

AT TENALI.

The first Nothern Circars Co-operative Conference was held at Tenali, on Saturday and Sunday, the 26th and 27th April 1913, in a pandal specially erected on the premises of the newly completed High School, which was tastefully decorated for the occasion.

The President of the Conference, the Hon'ble Justice Dewan Bahadur T. Sadasiva Aiyer, arrived with Mrs. Sadasiva Aiyar by the Mail Train at 3 A.M., on Saturday and was received by all the officials of Tenali of various departments. The President was then conducted in procession to the quarters which had been specially arranged for him. The meeting was commenced at 3-30 P.M., in the presence of a large gathering composed of more than 100 delegates and numereus visitors, among whom were the Hon'ble Dewan Bahadur L. D. Swamikannu Pillai, Dewan Bahadur M. Adinarayana Iyyah Garu, Rev. Mr. Thomssen of Bapatla, Mr. N. Pattabhirama Rau, Rev. Mr. Burger, and Rev. Mr. Haff of the local American Baptist Mission, Mr. P. Meenakshi Sundaram Pillai, Assistant Registrar of Co-operative Societies and others.

Letters and telegrams expressing inability to be present had been received from various gentlemen.

Proceedings were commenced with Sanskrit and Telugu prayers which was followed by the address of the Chairman of the Reception Committee.

THE RECEPTION ADDRESS.

In welcoming the delegates and gentlemen, Mr. C. V. Subramaniyam, Chairman of the Reception Committee observed that the progress that the Co-operative movement had made since its inception had been beyond all expectation. In the Northern Circars there were nearly 78 Credit Societies, both Urban and Rural, with a working capital of 4 lakhs. In the Guntur District itself there were three Urban and eighteen Rural Societies with a working capital of Rs. 1,65,000. Tenali itself had for its credit one Urban Bank and one District Bank with a capital of more than lakh of rupees.

Though Co-operative Credit Societies were very attractive, the more beneficial and economic results of Co-operation could better be realised when co-operative effort was applied to production and distribution. They maintained a co-operative stores also for sometime there, and though they were compelled to close it about three years ago, under the stress of circumstances, the experience gained ought to induce them to start a concern of that description once again. The number of persons belonging to the weaver caste with houses over a big block in Tenali suggested to him the desirability of starting a 'weaving' concern for them on co-operative lines. Even in matters agricultural in the delta taluqs, an Agricultural Association with co-operative principles need not be considered too complex a mechanism at this juncture.

Here was then a large field for altruistic work, which reveals immense potentialities and possibilities for the social, moral and economic progress of the country.

PRESIDENTIAL ADDRESS.

Mr. Swamikannu Pillai, Ladies and Gentlemen,—when I was first asked to consent to preside over this conference I refused in an almost unqualified manner because I knew almost nothing of the origin, progress and working of the movement. But increasing pressure was brought to bear upon me and I am by no means a strong man; the strong language I occasionally tend to indulge in, being probably more a sign of weakness than of strength. Another consideration which made me hesitate long is that like all old men my thoughts have fallen into a particular groove and it is difficult for me to speak except along that groove.

I can look at all subjects only through the particular windows of religion. I consider, of course, that that window gives the most comprehensive prospect of anything and everything in this universe; but many friends of mine, much more intelligent than myself, do not think so and even believe that that window cramps and distorts our vision of mundane things. Anyhow, my hesitancy left me when I persuaded myself that this co-operative movement was closely connected with religion and I accepted your kind invitation ultimately.

If you expect in my speech instructive deductions from a wealth of statistics any retrospect of the history of this movement, from the time of Frederick the Great in 1769 the developement of all the different schemes &c., either in this country or in places from China

to Peru, from the North Pole to the South Pole, you will prepare yourselves for great disappointment. I shall put before you merely the religious point of viewing this movement. Religion, that is, that which binds creatures together, consists of two things.

A lawyer once asked the Lord Jesus the Christ "Master, which is the great commandment in the law?" The Lord said unto him "Thou shalt love the Lord, thy God with all thy heart and with all thy soul and with all thy mind. This is the first great commandment. And the second is like unto it: Thou shalt love thy neighbour as thyself. On these two commandments hang all the law." There is religion in a nutshell. The cultivation of all virtues and the rejection of all the vices are founded upon these two, love of God and love of His creatures. In fact, all virtues are merely aspects and results of the cultivation of this love. Reverence, worship, humility, self-sacrifice, mercy, justice, liberality, self-restraint, righteousness, impartiality, harmlessness, gentleness, truthfulness, modesty, patience fortitude, purity, all these and other virtues are merely the result of the constant exercise of the feeling of love directed towards our superiors, towards our equals and towards our inferiors. It is the feeling of love that makes us really co-operate with others. It is the feeling of hate that makes us dissociate ourselves from others. I admit that temporary co-operation might be brought about even by selfishness. Wolves hunt in packs and thus co-operate more through enlightened selfishness than through real love between themselves. But even such temporary co-operation gradually awakens a spirit of loving union if frequently exercised. How much greater progress could self conscious man make in the true religious spirit if he co-operates with others intelligently from altruistic motives. Now, gentlemen, I am going to enunciate some home truths which, however unpalatable, must be recognised. We, Indians, have got many virtues but also many defects. Of course, I am talking very generally. I do not mean to say that all Europeans are better than all Indians or even that the average Indian is so far inferior to the average European through the defects of character which I am going to enunciate in a moment, to justify the European in boasting of it or in putting on an air of contemptuous or condescending superiority when he talks of the Indian. As I said the Indian has compensating virtues but I am addressing mostly my Indian fellow-countrymen, the sons of our sacred motherland and for our self-improvement I feel no hesitation in pointing out our defects of character in order that we may improve ourselves. In the first place, we are wanting in stability. We have not got the doggedness of the Briton. Our enthusiasms effervesces off like the gas in the soda water bottle very soon after they manifest themselves.

Perseverance and determination we are wanting in. The next defect in our character is (a perpetual tendency to schism". We " are too intelligent and quick-minded." The critical faculty has been very much developed in the upper classes of our society owing to acute metaphysical subtleties which our mediaeval forefathers indulged in on philosophical subjects. The tendency to exaggeration which will be found in our poetical vernacular literatures makes us impatient of facts and too fond of fancies. If a poet wants to say that the houses of a particular town have got very high upper storeys, he will say that the sun and the moon are stayed in their courses through the heavens by the windows of the upper storeys in those houses being shut. If he wants to say that the ditch round a town is very deep and that the elephants belonging to the king of the town are very huge, he says that the elephants sporting in those ditches pluck out from Patala the Adisesha serpent. We are also wanting (I must again say that I am speaking generally) in the qualities of bravery and fearlessness and when a man is not brave, he is naturally not as truthful as he should be. All union and co-operation require discipline and as soon as the motive of fear is taken away from us, we lose all sense of discipline. There are only two motive powers in this world. One of them is Love and the other is Fear which is a sub-division of the quality of hate, for perfect Love casteth out Fear. Hatred of stronger men is fear. The man who is afraid is the man who hates. Now these co-operative societies can flourish only on Love and not on fear or hate. The caste spirit as it exists now must be attacked and altered. I do not say that the caste spirit is even now wholly evil. It promotes union among the members of a small sub-caste. It prevents its members from falling below a certain level of self-respect. It dispenses with the pernicious system of poor law relief so far as the members of that sub-caste are concerned and it has many other advantages. But it also promotes caste-pride, suspicion, hatred and fear of other castes, narrowness and exclusiveness, pride and contempt and other vices based on hate. Love is attraction, and fear and hatred are based on repulsion. This co-operative movement must modify and improve the caste spirit as it now exists. I have felt great pleasure from seeing in the newspapers that the co-operative movement is getting the better of the caste spirit as it now prevails. The members of the so-called high and the so-called low castes are working in a brotherly spirit in these co-operative societies. Ignorance of one another is the greatest source of misunderstanding, contempt and hatred. I have known several cases in which each of two men thought the other to be a very bad man, simply

because they had not come into contact with each other and officious people carried tales to both of them. You know how the Englishman is regarded as a sort of bogie by an Indian, but one who has become familiar with many Englishmen knows what kindness and liberality of heart is usually found underneath a rough exterior. So the close contact in a common noble work brings about better understanding and brotherliness between different castes and thus this co-operative movement is a great religious movement. We all know the evils of this Kaliyuga, that is, the age of strife and competition. Strife and competition are good in their own way for, God has created nothing wholly evil. Strife and competition give strength and individuality, promote endurance and courage. The tiger and the lion have certain virtues which have been cultivated through strife and competition. But now that strife and competition due to the age of war has done its work and individualism has had its sway, after the pendulum has swung too far, we have to bring back the age of peace and co-operation, the age of sacrifice and brotherliness. The evils of the Kaliyuga have now to be fought against. Common worship, recognition of the common basis of religions, the doctrine of Universal brotherhood, the necessity of loving co-operation, have all to be preached just now. In passing, I may remark that this co-operative movement has been singularly fortunate in the several heads who were appointed by the Government to rule over it as Registrars The present head is, I know, a sincere and ardent devotee of the Lord Jesus Christ who re-stated for the guidance of modern humanity and who so supremely manifested in his own person the great complementary principles of the supreme value of the individual human soul and the importance of absolute self-surrender and sacrifice for the welfare of other individuals and for the carrying out of God's commands to the world. It is no wonder that the real spirit of brotherly co-operation is increasing under his guidance. It may be said that because the primary object of the societies is connected with loans, money transactions and diminution of indebtedness and so on, it has more to do with Mammon than with God. But even Mammon can be made the servant of God. It all depends upon the spirit which lay at the foundation of the movement and which continues to inspire its progress whether it is a servant of God or of Satan. What is it that brought about this co-operative movement? It is the love of our benign government for the welfare of the people. It is that same love which made Sir Frederick Nicholson sacrifice himself for the great work undertaken by him. It is that love and not the mere ordinary sense of duty which actuates ordinary Government officials, that made the Registrars appointed by Government to watch these co-operative societies so

enthusiastic and so hard-working in the promotion of this sacred cause. It is that self-sacrificing love which has produced non-official workers to promote the cause. I have heard of one such worker an Iyengar Brahmin gentleman, who did a great deal in the Chingleput District to promote this co-operative movement and I know of another worker in the Madura district a B.A,B.L., who is working heart and soul to promote this co-operative movement and who loves all castes and creeds without distinction. So long as such impartial selfless love animates the Government, animates the officers who are placed from time to time at the head of this movement and so long as selfless non-official workers continue to come up to work in this sacred cause, so long will it continue to be a really religious institution, promoting brotherhood among Indians. I know that like all good movements, nay like religion itself, the co-operative movement might become evil if it is used by evil men for evil purposes; thrift might be carried to the verge of stinginess and illiberality. A co-operative society consisting of members of a certain class alone might, when it becomes conscious of the strength derived from co-operation, try to use that strength despotically against other lower classes. Emulation between two co-operative societies might degenerate into rivalry and jealousy. The immense debt of gratitude we owe to the British Government and to numerous individuals among our British fellow-subjects might be forgotten. There are all these dangers in the co-operative movement but as I said, as the foundation was laid in the love of our Government towards its Indian subjects without distinction of caste or creed and as for an indefinite period the prospects are that that same spirit of love and union irrespective of caste or creed will continue to animate the heads and the leaders of this movement there is no fear of its degenerating into mere worship of mammon, or into mutually jealous and selfish trade-guilds. Rather we see the glorious prospect of this movement aiding Indians to get rid of caste prejudices and sectarian and religious quarrels, of the evils of gambling in litigation which is going on to such a lamentable extent, of the reclamation of classes now given habitually to theiving and preying upon other classes of the community, of organised charities, of needed education in self-restraint and self-Government. We see glorious visions of the revival of village panchayets, of village self-Government, of the taking up of the problem of education and sanitation by the villagers under the general superintendence of Government officers, of the increase of loyalty and moderation in the consideration of public questions, of the spreading of sound views among the village public. Even in the remotest future India is incapable of dispensing

with the hierarchical system of Government initiated by the great Rishi Vaivasta Manu. It is in my opinion a great fallacy to say that the institutions of royalty and of officials appointed in a hierarchical order working loyally under the King-Emperor, are in any way opposed to the principle of self-Government. On the other hand, a self-Government which is not only safe but really deserves the name of self-Government can be founded solely upon the existence of a constitutional King-Emperor and of a constitutional hierarchy of officers under him. Beginning again with religion, a man is self-governed and free not by denying God or refusing to obey him but by attuning his self to the will of the Supreme self. Perfect obedience to God is perfect freedom and perfect self-government. When we get to the Krita Yuga when all men are equal and there is no sin or pain in the world, then there need be no king and no hierarchy of officers. Till we reach that stage, true self-government requires a constitutional King and constitutional officers. I know that from the days of the French Revolution we are supposed to have enthroned King Demos, to treat every head as equal to every other head, and so on. "The democratic tendency of which some of us are so proud does not represent, as is generally supposed, the ultimate achievement of human wisdom, but is an experiment which was tried thoroughly and carried out to its logical conclusion thousands of years ago and then abandoned in universal disgust as irrational, unworkble and leading to endless confusion."

"The King, and his council, his metropolis, his realm, his treasure, and his army, together with his ally, are the seven members of his kingdom; whence it is called Saptanga;

Among those seven members of a kingdom, let him consider the ruin of the first, and so forth in order, as the greatest calamity;

Yet, in a seven-parted kingdom here below there is no supremacy among the several parts, from any pre-eminence in useful qualities: but all the parts must reciprocally support each other, like the three staves of a holy mendicant:

In these and those acts, indeed, this and that member may be distinguished; and the member by which any affair is transacted, has the pre-eminence in that particular affair."

"Since, if the world had no king, it would quake on all sides through fear, the ruler of this universe, therefore, created a king, for the maintenance of this system, both religious and civil;

The whole race of men is kept in order by punishment; for a guiltless man is hard to be found; through fear of punishment indeed, this universe is enabled to enjoy its blessings;

The king must appoint seven or eight ministers, who must be sworn by touching a sacred image and the like; men, whose ancestors were servants of kings; who are versed in the holy books; who are personally brave; who are skilled in the use of weapons; and whose lineage is noble.

Even an act easy in itself is hard sometimes to be performed by a single man, especially if he have no assistant near; how much harder must it be to perform alone the business of a kingdom with great revenues.

Let him perpetually consult with those ministers on peace and war, on his forces, on his revenues; on the protection of his people, and on the means of bestowing aptly the wealth which he has acquired:

Having ascertained the several openions of his counsellors first apart and then collectively, let him do what is most beneficial for him in public affairs.

He must likewise appoint other officers; men of integrity well-informed, steady, habituated to gain wealth, by honorable means, and tried by experience.

As many officers as the due performance of his business requires, not slothful men, but active, able, and well instructed, so many, and no more, let him appoint.

For the sake of protecting his dominions, let the king perpetually observe the following rules; for, by protecting his dominions, he will increase his own happiness.

Let him place, as the protectors of his realm, a company of guards, commanded by an approved officer, over two, there, five or a hundred districts, according to their extent.

Let him appoint a lord of one town with its district, a lord of ten towns, a lord of twenty, a lord of a hundred, and a lord of a thousand.

Let the lord of one town certify of his own accord to the lord of ten towns any robberies, tumults, or other evils, which arise in his district, and which he cannot suppress; and the lord of ten, to the lord of twenty;

Then let the lord of twenty towns notify them to the lord of a hundred ; and let the lord of a hundred transmit the information himself to the lord of a thousand townships.

In every large town or city, let him appoint one superintendent of all affairs, elevated in rank, formidable in power, distinguished as a planet among stars :

Let that governor from time to time survey all the rest in person, and, by means of his emissaries let him perfectly know their conduct in their several districts.

Since the servants of the king, whom he has appointed guardians of districts, are generally knaves, who seize what belongs to other men, from such knaves let him defend his people ;

Of such evil-minded servants, as wring wealth from subjects attending them on business, let the king confiscate all the possessions, and banish them from his realm."

In the above slokas, gentlemen, you have got the compressed foundations of all government and of the duties of the King, of the duties of his officers, of the duty of public opinion and of the king to put down corruption among his officers and so on.

As I have said already some persons object that this co-operative movement is only for a wordly purpose just as there is co-operation among people to subscribe for a good dinner and eat it in common. Gentlemen, it all depends upon the spirit with which anything is begun whether it is a religious or moral act, or whether it is a worldly useless act. Even as regards eating together there is such a thing as religious co-operation.

The great saint Ramanuja and his disciples introduced communion in meals in temples in order to promote religion. If you go to a temple and sit in communion with other devotees for taking the leavings of God, it promotes religion. If bread and unfermented wine are taken in communion in a church with a religious purpose, that co-operation is highly religious. But if you go to the Parthasarathi temple not because you want to take the holy prasadam in communion with other devotees of whatever caste, but because you have heard that the Parthasarathi temple Vadai or Thosai is very tasteful and you want to gratify your palate and so if you go to the Conjeeveram temple for its famous Eddalees, then that is not a religious act but a sinful act. Thus gentlemen, whether this co-operative movement is a good movement or a bad movement depends upon the

motive with which it was started and is continued. If it was promoted by the Government with the object of promoting the happiness of its subjects and as a duty which the Government owes to the King of Kings, then it is a religious movement and must lead to good. I have heard it recently said that the government are now trying to put back the co-operative movement. Such uncharitable attribution of motives is in my opinion, very immoral.

The Hon. Sir John Atkinson very properly repudiated in a recent speech the calumny that Government wish to stop the growth of the societies from ulterior motives. He called the movement a most beneficial movement and he said that Government recognised the illimitable benefits that might proceed from the development of co-operative societies and that he hoped that socially, industrially, morally and economically it might have the most beneficial effect upon the people of the country. Simply because Government want to hasten slowly, because they do not want to be guilty of hurried impatience, uncharitable motives are attributed to them. I do not want to talk politics here but as a religious man or at least a man who wants to put religion above everything, I must deprecate the promotion of disloyalty and want of charity. It was Government that took the lead in starting this movement and I am strongly of opinion that, while Government should leave the societies as much internal freedom of management as possible, it should never sever its connection in the way of supervision, inspection and audit through its own officers. I respectfully venture to state (though I know the depth of my own ignorance as regards the details of these matters) that the Government would do well not to give rise even to unreasonable suspicion by trying to relieve itself of the cost which it now incurs from Government funds for the necessary inspection and audit in connection with these co-operative societies. I am told that there is a proposal to throw the expense upon the societies themselves because the societies have increased in number. I would respectfully request Government not to do so. I do not believe any non-official will object to have that cost borne by the general tax-payer. I just now quoted the opinion of the Hon. Sir John Atkinson that socially and morally also, these co-operative societies are doing very beneficial work. I have already referred to the social reform as regards caste prejudices, caste prides, and caste exclusivenesses which the movement is promoting. Morally, I have read that the great vice of drunkenness is being attacked in some of the villages very successfully by some of the co-operative societies. A philanthropic gentleman of the British race spoke about this work somewhere and he narrated how, in one or two villages of the Salem district, drunkenness was almost wiped out by the influence

of the co-operative societies. Whether rightly or wrongly, Government is not just now inclined to allow the principle of local option in the matter of the location of toddy and arrack shops. My esteemed friend, the Hon. Mr. P. S. Sivaswami Iyer, who is spoken of in some parts of the country as the junior Brahmin Governor, said recently, (if he was reported aright) as follows:—"With regard to the system of local option to be tried tentatively Government could not possibly agree to that proposal. Temperance reformers (of whom, gentlemen, I am one) "believe that local option could remedy drunkenness." But Mr. P. S. Sivaswami Iyer felt very great doubt as to the soundness of that position. Gentlemen, if we could not get local option, why should not we try even the better remedy of bringing to bear the moral influence of these co-operative societies upon the drunkenness which is clearly increasing (though not in such an alarming degree as is represented by some temperance reformers) in this country. If some of you must injure the Government in some way, do it constitutionally by making them lose more and more of the abkari revenue just as good men have made it lose its opium revenue. I believe that Government will not ultimately be injured by losing more and more of its abkari revenue because, in my opinion, it is absolutely certain that other heads of revenue will expand by improvement in the moral and economical condition of the people as the abkari revenue goes down more and more. I do not at all share the fear of some gentlemen who hold (quite intelligently and quite honestly) the opinion that if the abkari revenue goes down it will be found impossible to obtain the money we all so urgently want for the expansion of education and irrigation and so on.

You know, gentlemen, that esteemed patriots of our presidency like my friends the Hon. Mr. Kesava Pillai and the Hon. Mr. Ramachandra Row are desirous of seeing the old village punchayet system revived. You know also that our benign Government is doubtful of the feasibility of such revival, it being almost universally recognised that owing to the progress of the country in some directions, owing to the spread of western ideas, owing to village handicrafts and industries being almost destroyed, owing to the migration of intelligent people to towns, to the break-up of the quasi-feudal system that prevailed in villages and zemindaries, to mere birth in some caste or family not being of as much account now as in olden days, and to the enactment of numerous laws and the establishment of numerous courts, the communal village system under the guidance of village punchayets of old, has been broken down almost completely. In my opinion, it is almost impossible to revive the village punchayet exactly on the old lines. But the spirit of it and the substance of it can be very well revived by the development and expansion of these co-operative credit societies. In the former village punchayets, members of the depressed classes could have had no place and very little influence, but we know that in these co-operative credit societies all classes and creeds have their place. If the village punchayets are revived exactly on the old lines it may only lead to caste tyranny and to partial judgments and sectarian quarrels and other dying strifes might have opportunities to raise their hydraheads again. But let these co-operative societies guided by large-minded and large-hearted government servants of Indian nationality like the three whom we have had the fortune to obtain till now, let such co-operative societies take the place of these village panchayets and I have no doubt that all the benefits of the old punchayet system can be again obtained without the evils which must inevitably follow if the old system be revived in its mere letter.

I have already referred, gentlemen, to the necessity of hastening slowly. I know that about six hundred applications which have been received for registration of new societies were pending recently before the Registrar and the Government. But I must repeat my fixed idea that the altruistic and religious spirit must be the foundation for the establishment of all these societies and I would deprecate the establishment of more societies unless the Registrar is satisfied that there are also in existence loyal altruistic non-official gentlemen who, with real unsectarian religious enthusiasm, would assist groups of such societies, (such groups to consist of a manageable number of such societies) with their unselfish advice so that the societies might be saved from the pitfalls of too much worship of mammon and from the danger of ungrateful, disloyal and irreverent extremism.

That is why I deprecate the Government's grudging to bear the cost involved in the inspection and audit connected with these societies.

Religious spirit and Government supervision must, in my opinion, be never dispensed with in any department of national life. This view of mine is not based upon any special conditions connected with India or the Indian people, but, in my opinion, it applies equally to all people on the face of the earth. As I have said already, it may be that the Indian people, taking them on the average have not got as much administrative, executive and governing capacity as the average individual of the British race. But I believe in the doctrine of re-incarnation and I believe that souls possessing such abilities can be born in any nation. I know that, in any event, the difference even in such ability at the present time is only small though it is

sometimes exaggerated through unconscious prejudices and prepossessions and I know that consideration of averages is of no practical value. Whatever the average may be, there must be found among the three hundred millions of Indians, thousands of our countrymen capable of holding the highest administrative and executive posts as efficiently as the average Briton and such ability, I know, is not confined to any one caste, creed or class.

The names of Sir Seshadri Iyer, Sir R. C. Dutt, Sir Salar Jung, Sir T. Madhava Row, Dewan Bahadur Srinivasa Raghava Iyengar and many others come back to memory, persons who were fit for the highest administrative posts; and for the registrarship of these co-operative societies, an office which requires great tact, great executive and administrative ability, large organising powers, we have had in succession three Indians who have filled the office with conspicuous ability and success and I have no doubt that the Government would feel no difficulty in finding a succession of such able Indians for the post. Only, the office peculiarly requires large hearts as well as big brains and great administrative power.

Gentlemen, I am desirous like my friend Mr. Swamikannu Pillai that there should be an increase among us more of the true spirit of co-operation than a mere increase in the number of co-operative societies. That spirit is the spirit of loving trust of different classes, creeds and races inhabiting this land, in one another. Let this loving spirit increase, let spiritual wealth thus grow and (as is said in the Bible) all other benefits including material benefits will be added by the Merciful Lord. Even the large material benefits clearly and beautifully summarised by my friend the Registrar, namely

(*a*) the multiplication of capital for beneficent uses,

(*b*) the enormous saving of the labour of the individual seller to find a purchaser and of the individual purchaser to find a seller,

(*c*) the making of large markets available even to men of small means,

(*d*) the automatic insurance against risks of illness etc., and so on, all these benefits, great as they are, are less important than the growth of the co-operative spirit which is a highly spiritual virtue. The majority, no doubt, will join this movement for the material benefits it confers on its members. But unless a succession of selfless enthusiasts

continue to come forward (as they have been hitherto coming forward) to help, guide and promote the spirit of brotherly co-operation in a religious spirit, the movement like all great movements must become lifeless in the course of time or even mischievous, through the loss of the Divine Fire.

Gentlemen, I have done and I shall, as it has become almost a habit with me, conclude with an earnest prayer to the Almighty that He will send His blessings upon this great co-operative movement, one of the greatest and most beneficent movements which have sprung recently on the soil of our beloved Motherland for its uplifting and may the dawn of the loyal sober religious national spirit whose reddening in the eastern sky is already seen by the early risers amidst the long-slumbering people of India brighten soon into the full glory of the golden light-rays of the risen Marthanda scattering completely the dark demons of superstition, priest-craft, caste-pride, indolence, cowardice and ignorance which have been rampantly stalking over the land for some ages past.

(KRISHNARPANAM ASTU.)

Subjects Committee.

Then a Subjects Committee of 25 delegates for considering the Resolutions to be moved at the second day's proceedings was appointed. It began its work immediately after the close of the day's general meeting. The Resolutions which had been drafted by a preliminary committee were gone through one after another and they formed the subject of the second day's proceedings.

SECOND DAY'S PROCEEDINGS.

On the second day the following Resolutions were carried unanimously. The proceedings were in Telugu:—

This Conference while deploring deeply the Delhi bomb outrage of December last, expresses its unbounded joy and thankfulness for the recovery of His Excellency Lord Hardinge from its effects.

This Conference thanks the Government of India for widening the scope of the Co-operative Act, by making it applicable to all kinds of Co-operative Societies and begs to urge on the Government of Madras, and on the Registrar of Co-operative Societies, the necessity, in view of the backwardness of co-operation in the Northern Circars,

of devoting greater attention to, and affording better facilities for, the development of the movement in these parts.

This Conference exhorts the people of the Northern Circars to take better interest in matters co-operative, and hopes that in future all public men will exert their best to spread the movement in this part of the country more rapidly.

The Conference is of opinion that the grouping of several villages for the purpose of forming a single society does not conduce to the intensive culture of the virtues of co-operation and recomends the splitting up of such societies as already exists whenever and wherever possible.

This Conference places before its workers the ideal of a co-operative society for every separate Revenue village and annual Co-operative Conference for every taluq and exhorts them to work up to that ideal. That this Conference points out the need for the immediate formation of Unions and District Central Banks on the Federal or Representative basis and also suggests the desirability of forming a Federal Union of all the District and Central Banks in the Presidency for financial facilities.

This Conference is of opinion that co-perative societies through their panchayats, should insist as far as possible upon compulsory Elementary Education and the observance of total abstinence from intoxicating drinks. That this Conference impresses upon the Panchayats of the societies the necessity of redeeming their members from outward and chronic indebtedness.

In moving this Resolution, the Hon'ble Dewan Bahadur L. D. Swamikannu Pillai, Registrar of Co-operative Societies, Madras said:—

"The Resolution affirms the duty incumbent on panchayets to redeem their members from outside and chronic indebtedness. A few remarks on this Resolution may not be out of place and with the permission of the Chairman, I beg leave to offer them to you. Co-operative Credit may be used in two ways for the benefit of the agriculturist, either in the words of the Resolution by redeeming him from outside and chronic indebtedness or by enabling him to use his improved credit for making agricultural improvements on his land. The first function of Co-operative Credit Societies is primary in the sense that release from debt is preliminary to and goes before capacity to make agricultural improvements, but it is secondary in the sense that Co-operative Credit Societies miss their end and aim if they do not help the agriculturist to improve his status and he can improve

his status only by improving his agricultural methods. Improvements in agricultural method again fall practically into two sub-divisions, costly improvements such as the purchase of machinery or expensive stock and the construction of wells; and cheap improvements effected by means of manure, better seed and more effective but inexpensive implements. Loans borrowed for making costly improvements can be repaid only in the course of several years, while loans for purchase of seed and manure ought to be repaid out of the crops which have beee improved by this means. Loans advanced by Panchayats can therefore be classified in practice under three heads, (1) long term loans for discharging outside debts, (2) long term loans for making costly improvements and (3) short term loans for the purchaseof seed, manure, &c. Societies, particularly those in the Northern Circars, confine their attention to the first kind of loans and neglect the other two kinds. All the three kinds of loans should receive attention from the very beginning and the Panchayat should have a definite programme for each year distributing their loans under these three main heads.

In helping members to pay off prior debts, Panchayats not only make the mistake of neglecting productive loans but they are apt to be indiscriminate. Here too a definite programme or working plan is very necessary. After a society has been in operation for five years, it should be in a position to point to a number of cases in which members have been wholly freed from debt and enabled to start on the work of improving their agricultural methods and to other cases in which they propose to afford similar relief in the next five years. I am afraid very few of our societies are in a position to point to such healthy results. Members who are helped with money at the beginning of operations will too often, I am afraid be found after five years to be still borrowing for the same purpose as before, namely that of discharging old debts. Anybody who studies the operations of such a society must come to the conclusion that it is doing no useful work, that it is actually increasing indebtedness instead of gradually extinguishing it. When money is borrowed on the understanding that it is to be repaid in so many instalments, the Panchayat must first satisfy itself that the loan applied for can be so repaid. A person who has land worth Rs. 1000 and who proposes to borrow Rs. 500 on the security of that land cannot, unless he practises the most rigid self-control and economy, discharge Rs. 100 per annum with interest, *after paying cultivation expenses, assessment and the cost of maintaining himself and his family.* Naturally he falls into arrears, it may be in the very first year, and various devices are resorted to in order to keep alive his membership and his credit. The Panchayat could have foreseen all this and it was its plain duty to have told the man at the outset "We

think you cannot repay more than Rs. 100 in five years and it is useless for you to become a member of the Society in the hope of borrowing Rs. 500." If the panchayat has scrutinized in this way every application for a long term loan coming before them, they can do something towards redeeming their members from outside and chronic indebtedness, but they can never hope to do so by the indiscriminate grant of loans to all comers."

This Conference, is of opinion that co-operation can be applied to agriculture and other rural industries and to cattle insurance, with as much success as it has been to credit and urges upon the Government and upon the people to try it in those other ways in the Northern Circars.

This Conference views with disfavour the payment of heavy entrance fees and share-capital in Credit Societies when admitting members, in as much as they are deemed a hardship by the individuals concerned and recommends that the entrance fee as well as share-capital should be fixed as low as possible with reference to the status of the members of each society.

This Conference is of opinion that until agricultural co-operation advances sufficiently, the present Credit Societies may be permitted to afford facilities for the purchase of scientific and agricultural implements, manures and seeds for the use of such of their members as may require them.

This Conference recommends to Government the introduction of the subject of co-operation into the curriculum of Elementary Schools in the Presidency.

This Conference supports the last Madras Provincial Co-operative Conference in holding that a permanent co-operative organization for the whole of the Presidency is necessary and requests the Registrar of Co-operative Societies to register the Madras Provincial Union an application for registering which, has already been submitted to him.

This Conference points out the loss sustained by societies in the matter of civil courts decreeing a lower rate of interest than that provided for in the by-laws and hopes for the amendment of the rules sanctioning such procedure.

Several Telugu verses composed specially for the occasion were then read by some volunteers.

The President in the course of his concluding remarks pointed out the importance of the sixth Resolution passed by the Conference.

The Proceedings then terminated with the usual vote of thanks to the chair.

A local band which was in attendance on the two days enlivened the proceedings while the Volunteers rendered themselves useful at meetings as well as in the temporary hostel which had been created by the Reception Committee for the accommodation of guests.

The 5th Chingleput District Co-operators' Conference.

AT UTTARAMERUR.

The 5th Chingleput District Co-operators' Conference was held on the morning of 31st May 1913, in the new buildings of the Co-operative Credit Society at Uttaramerur, which was formally opened by Dewan Bahadur P. Rajagopalachariar, C.I.E., Dewan of Travancore, who was the President of the Conference.

There was a very large gathering present, amongst them being Mr. R. A. Graham, I.C.S., Collector, Mrs. Graham, Dewan Bahadur M. Audinarayaniah, Rao Sahib K. Vijiaraghava Chariar, and Mr. A. Vedachallam Iyer, Assistant Registrar.

ADDRESS OF WELCOME.

Mr. A. Venkatakrishna Iyer, President of the Uttaramerur Society and Chairman of the Reception Committee, in welcoming the delegates, said that the building that had just been opened for holding that Conference was proof of the hold that the movement had on the people in that district. He suggested the enlargement of the field of co-operative effort, the new spheres of activity suggested being sanitation, communications, education, irrigation, Village Panchyats and other similar rural concerns. He regretted that, whereas in other countries party feeling in public affairs was a healthy incentive to public men, it was personal bitterness and rancorous hatred in this.

PRESIDENTIAL ADDRESS.

GENTLEMEN,

It gives me very great pleasure to preside at this Conference of the Co-operators of the Chingleput District. I see around me many familiar faces; I see many old friends who, in the infancy of the movement, laboured with me in this district, with great disinterestedness and zeal, and helped in the organisation and working of the first societies. The Chingleput District may be said to be the cradle of the co-operative movement in this Presidency; the first societies, rural and urban, were started in this district; the first productive society belongs to this district; some of the most successful societies in the Presidency still belong to this district; out of over 1,000 societies now working in the Province, nearly 200 belong to the Chingleput District. Not only are you strong in point of numbers, but you are maintaining, I believe, a somewhat higher average in point of quality. The district stands pre-eminent in the matter of non-official activity towards the organisation of societies. The first three Co-operative Unions belong to this district. It is, I think, particularly appropriate that, when the first Registrar returns to look at the scene of his labours, he should preferably visit the district which had played such a prominent part in the initiation of the movement, and which has, I am sure, a not less important part to play in its future development.

2. Speaking as an old co-operator to his fellow co-operators, I trust that I shall not be misunderstood if I leave it to others to expatiate on the large progress which the movement has made since its introduction nine years ago. That progress is recorded in the successive Administration Reports sent up by me and my successors in office. The tale of that progress is well-known to you and to the public. I feel, Gentlemen, that it would probably be a more advantageous thing to you, just now, if I preferably draw your attention to some of the short-comings already noticed in the movement and to some of the dangers and difficulties ahead. It may be that, in doing so, I may be unduly pessimistic; my excuse is that, in the *present* condition of the movement, it should be an advantage to concentrate our attention on the *weak* points, even at the risk of unduly magnifying them.

Origin of the movement.

3. I shall first say a few words in regard to the way in which the movement was started and has been kept going, as a clear appreciation of that is, in my opinion, necessary to enable you to follow me

in some of my remarks later on. I need hardly tell you that these societies owe their existence to the wonderful prescience of one who is still happily with us, I mean, Sir Frederic Nicholson. After a close study of the economic conditions of the small ryots and the small artisans all over the Presidency, Mr. Nicholson (as he then was) came to the conclusion that what was needed was the type of credit society known as the Raiffeisen and Schulze-Delitzsch Banks of Germany and their Italian counterparts associated with the names of Wollemborg and Luzzatti. Sir F. Nicholson's monumental work is a store-house of information in regard to every matter co-operative. I had occasion to refresh my memory by a reference to that work only a few days ago; and I was struck not only at the wonderful correctness of his diagnosis of the evils he saw and of the remedies proposed by him, but also by seeing how some of our present difficulties were things which he had quite foreseen. To anybody who has to do with the co-operative movement, I can give no better advice than that he should study Sir Frederic Nicholson's book carefully and follow his advice as closely as he can. It is a pity that this book (at any rate in an abstract form) has not been translated into the principal vernaculars of the Province. I would suggest to you, Gentlemen, that a rendering of the book into Tamil may, with advantage, be taken up. Mr. Nicholson finished his work and submitted his report in 1895. It was, however, by no means all plain sailing at any rate at the outset. The then Board of Revenue criticized the proposal most adversely; they recorded the opinion that these banks were quite impracticable in the conditions of the Madras Presidency, and even if practicable, they would not go far to alleviate the troubles of the ryots. There was considerable difference of opinion at the time, I remember, over the whole question, and finally, the then Government of Madras abstained from making any definite pronouncement, but they placed a certain sum of money, about Rs. 2,000 I believe, at Mr. Nicholson's disposal, to start a bank as a matter of experiment. Soon after this, however, the whole matter went into the hands of the Government of India, and the then Viceroy, Lord Curzon, who is said to have taken a warm personal interest in the question, appointed a Committee, of which Mr. Nicholson was a member, and as the result of the deliberations of that Committee, the Government of India enacted Act X of 1904 and sanctioned the appointment in each Province of an officer of the rank of a Collector of a District for organising co-operative credit societies and for working them satisfactorily. It was as the result of this sanction that I was transferred from a district charge to special duty as the first Registrar of Co-operative Credit Societies in Madras. It fell to me to organise societies in this Province and to work them.

Progress of Co-operation.

4. It was a task of some difficulty to select the correct kind of villages for the experiment; and after the villages were selected, to induce the people to agree to form the societies; practically every co-operative principle had to be given up, at the outset, to enable us to give ourselves a start; unlimited liability was tabooed almost in every place as quite out of the question; even a small reserve liability would not be accepted; the rich did not see any advantage in joining the poor and the poor would not trust the rich. It may be that, if I had used the ordinary district machinery to a larger extent, I could have forced on the formation of a few societies, even of the ideal type at the very outset; but I felt that that would be a mistake, and I preferred to trust to what little powers of persuasion I possessed. Gentlemen, if the *initiation* of the co-operative movement is due to the labours of Sir F. Nicholson, the *success* so far achieved by it in Madras must be ascribed to the very wise guidance given to it by the then Revenue Member of Council, Mr. (now Sir Gabriel) Stokes. This officer not only kept himself fully informed of every detail of the movement, but he carefully guided its development. It was he that pointed out to me that it would be a mistake to wait till we convinced people of the advantages of an ideal society and he urged me to get a start in *some* form or other, amending the constitution gradually and working up to the ideal later on in the light of experience. When once it was known that we were not keen on this or that principal and that a village may choose for itself its own constitution—consistently of course with the provisions of the law which were remarkably elastic—the task was simplified. Another direction in which Mr. Stokes urged action at a very early stage was in the matter of providing an *adequate* supply of money to the societies. He pointed out that, when once a society was started, if it could not really get outside money, it was bound to fiz out. It was to meet this particular want that the Madras Central Urban Bank was started; the constitution of this bank was drawn up by me personally on lines settled in consultation with Mr. Stokes. He was particularly strong in insisting that every society should be on thoroughly business-like lines and that there should be as little of sentiment in the movement as possible. The idea underlying the Madras Central Bank, at any rate as understood by us, was that some of the money available in the Madras City and seeking profitable investment, should be diverted to the villages to supply the working capital needed by the societies. The Madras Central Bank has, I know, since come in for some adverse criticism, on the ground that it pays handsome dividends to its shareholders and that it would not contribute towards the supervision of

the societies to which it lends. I would only say, with reference to this, that I consider it a most satisfactory thing that it has been proved so well that an organisation to collect funds for lending to societies *could* be worked *with profit*. Of the success of the Madras Central Bank there can be no stronger proof than the circumstance that several other banks like this have now come into existence—to collect funds for being lent to societies, I am referring to what are known as the District Banks. I take it that, if the Madras Central Bank did not prove that it would pay *and pay well* to finance the co-operative movement, other bodies would not have come forward to share the task and the movement itself would not have made the great progress that it has. The question of the finance has, so far, given no trouble whatever to the movement in this Presidency. This must be taken to be almost wholly due to the Madras Central Bank. I have spoken here at some length of the Madras Central Bank, because several of you have complained to me, both when I was Registrar and since I left, of the circumstance that the Bank charges interest on the loans issued by it at rates ranging from 7 to 7½ p. c. though it succeeds in attracting money at rates ranging between 2½ and 6 p. c. and that the shareholders steadily earn a dividend of between 10 and 12 p. c. per annum I confess that I see nothing wicked in any of these things. When the share capital is comparatively small and the turn-over is large—as it has always been in the case of the Madras Central Bank—the rate of the dividend earned is bound to be high. Rates of interest—like other mundane things—are governed by considerations of which charity is not a particularly prominent feature, and I can conceive nothing more mischievous, or likely to be more harmful in the long run to the co-operative movement, than a spirit of hostility and distrust as between the societies and what, for a long time to come, will be their principal source of supply of funds. As for the contention that the Madras Central Bank would not contribute either wholly or partially—to supervise the societies it lends to, I have only to say that, if the Bank is not bound by its rules to do so, it can hardly be blamed for refusing to do what would involve it in some pecuniary sacrifice. Also, constituted as the Madras Central Bank is—purely of individual share-holders—with not a single society represented in it—I hardly think that it would be a wise thing to give it a share, however small, in the task of supervising the societies to which it lends. Absolute identity of interest as between a supervising authority and the bodies supervised is essential for honest and efficient supervision. That *complete* identity cannot exist as between the Madras Central Urban Bank (as now constituted) and the numerous societies to which it is lending. It would be well, I think, to

leave the Madras Central Urban Bank alone, to carry out the object for which it was started, an object which it has, so far, carried out most successfully.

Government help.

5. There can be very little doubt that the large development of the co-operative movement we have had has been due mainly to the circumstance that the movement has, from the outset, been carried out by a Government Department; it has had the benefit of the prestige and security afforded thereby; and also, thanks to the very business-like methods of the Madras Central Bank, the movement has been freely financed. In addressing the last Provincial Co-operative Conference, the Honorable Sir John Atkinson drew attention to the remarkable fact that, whereas the Co-operative Credit Societies have thriven, Joint Stock enterprise has languished. The explanation is not far to seek, and I am in a position personally to offer that explanation, because, when I began work in this district, one of the difficulties I was confronted with was the failure of a number of Benefit Societies and Provident Funds which had been registered under the ordinary Companies' law and the breakdown had engendered a wide feeling of distrust. I was however, able to utilise that very break-down for advertising the co-operative movement, for I was in a position to point out that, under the law of 1904, a *Government* machinery had been provided for supervising the societies, for auditing their accounts, and for seeing as far as possible that they did not get derailed. Many of you no doubt remember how telling this argument of mine was. Many of you told me, at the time, that you wanted no direct help of any kind from the Government, you were not at all keen about having any Government money, you wanted no summary procedure for recovering your debts, but you *did* want careful Government supervision and audit, and as *these* things had been provided, you were willing to follow my advice and to start the societies. The Central Bank did the rest. When it was seen that the moment a society was started in a village, the ryots could get practically as much money as they really needed, at a rate of interest markedly lower than had before prevailed, the movement spread rapidly. I say again that the rapid spread of the movement has been undoubtedly due to the Government machinery and the free supply of funds.

A Contrast.

6. And this brings me to a fundamental distinction between the movement as it developed in the European countries from which we have borrowed these banks and as it has developed in our own country.

The Popular Banks of Europe were entirely unofficial in their origin. As pointed out by Sir F. Nicholson, "every one of the systems which "have dealt successfully with popular savings, help and credit, has "grown out of the smallest beginnings by a slow and painful develop- "ment; the Schulze-Delitzsch, quickest of growth, took many years "of solid, incessant work—not merely writing or talking—before its "principles were fully developed or finally accepted; the Raiffeisen "system dealing with the rustics, was of far slower growth; the "Savings Banks system and the great Benefit, Friendly, Co-operative "and Building Societies systems of England and the United States of "America, began in the smallest of ways and slowly worked out their "problems in actual practice.....

"A report can describe and suggest, but it is for the people them- "selves to work the suggestions into practical shape by experiment, "since it is not expected that the State will interfere directly either "in initiating or administering such institutions.....

.....

"The future of rural credit lies with these who, being of the people, "live among the people, and yet by their intelligence, prescience and "energy, are above the people; such were the reformers of Germany "and Italy who have introduced the great systems of popular credit in "those countries.....

.....

.....

"No privileges or subventions have been granted to the small "local banks or credit societies of the people, nor have any special "laws or modifications of the general law been passed *anterior* to their "formation, with the view of favouring or facilitating their introduc- "tion. Being absolutely local it is found that such banks can work "successfully without any privileges. But so soon as it was recognis- "ed that the societies.....

"were factors of inestimable value in the social and economic problem, "special laws were passed for the furtherance and good management "of such societies, or special provision was made in the general "commercial codes of those countries; it was at once recognised that, "without the assistance of the law, and without public recognition "and support, the nascent organisation might fail both of its true "extension and of its full development; great ideas have been born, "but the infant systems required support and sustenance.....

.....

"The banks that have been successful in bringing credit to the "smaller folk, are those local banks which have recognised personal "thrift, self-control and effort as the conditions of credit; and those

"banks which have most thoroughly developed not only these cognate "ideas, but have added the inestimable factor of mutual help and the "power of mutual association, have been the co-operative banks, by "whatever name they may be called, which are the work of the "members acting for, through, and upon the members.....
.....
.....

"But it is a condition of their success that they should have "grown; they cannot, for general and popular purposes, be establi- "shed by the flat of authority.....
.....

"It is noteworthy that the great popular movements in thrift, "self and mutual help have invariably emanated from individuals and "not from authority as usually understood; Schulze-Delitzsch "laboured and the German Popular Banks came into being; Raiffei- "sen toiled through long years—at first with slow success—till "thousands of societies call him 'Father' Raiffeisen. Luzzatti and "Wollemborg in Italy have equal claims as pioneers of the Italian "movement; the Savings Banks and Building Societies of Great "Britain and the United States are the outcome of individual effort."

7. That was how these Banks grew up in Europe. The course of the movement here has been very different. As already stated, the Co-operative Societies we have are practically all the creation of a Government Department; their well-being depends to no small extent on the supervision exercised by that Department. I mean no disrespect to the large number of non-official gentlemen who have helped me and my successors in office when I say that if to-morrow, the Government were to notify that they proposed to withdraw from that active association with the movement which is now its prominent characteristic, the majority of the societies would disappear with a rapidity which would surprise the European expert even more than the remarkable progress of the movement has done. I do not of course mean to say that the Government are likely to do any such thing, or that they will be justified in doing any such thing, but I want to bring home to you that it will be a mistake to overrate the intensity of the co-operative spirit among us from the mere number of the societies or the rapidity with which they have sprung up. This rapidity has been so phenomenal and has been so startlingly great—compared with the development of these banks in their original home—that one would almost think that we are more truly co-operative than people in Germany or Italy and that it was by the merest accident that *they* devised these banks and *we* had to imitate them. I

would earnestly deprecate any feeling of undue elation at the success already achieved. Of course we are all glad at what has been already done. The danger of the situation is that, in the satisfaction we feel at what may be called the quantitative progress already achieved, we may fail to take due note of our mistakes and short-comings.

Increase in Memembership.

8. I shall now tell you a few reasons for my opinion that, notwithstanding the large increase in the number of the banks, etc., there has not been anything like a corresponding increase in the co-operative spirit. Firstly, the idea which underlay the Government policy, as I have always understood it, was that a sufficient number of banks should be started so as to serve as models to the people and enable them to start more for themselves and that on a large scale. Over a thousand banks have now come into existence; by far the greater portion of them owe their existence to the activity of the Government Department. Well, the Government cannot go on starting banks themselves in every place, the Government establishment cannot go on increasing indefinitely; there was, I believe, some lull in the Government activity. There was, I am told, a corresponding lull in the registration of fresh societies. At the last Provincial Conference, Sir John Atkinson asked the very pertinent question whether the time had not come when the organisation of new societies could not be better carried out by the unofficial rather than by the State agency. I could give only one answer to this question *viz.*, that if, after nine years of work and with over 1,000 societies working in the field, unofficial agency is not forthcoming to an adequate extent to organise more societies, and if the Government Department cannot be wholly relieved of the task, then the movement must have made very poor progress indeed. The conference unanimously passed a resolution to the effect that it believed that there was a genuine demand for the establishment of more rural societies in this Presidency and it requested the Government to take the necessary measures to ensure a satisfactory and safe acceleration in the growth of the movement. I of course quite agree that we want more societies; if we had to-day ten times the number that we have, it would still be found that we want a great many more. But what I do not understand is why the *Government* should be asked to take measures for the satisfactory and safe acceleration of the growth of the movement. Is it contended that the one thousand and odd societies we now have are insufficient to serve as object lessons? Or is it that our unfortunate tendency to lean on the Government for everything has become, in the case of the co-operative movement, accentuated by the way in which the movement has been handled? Gentlemen, I

would, as an old friend, earnestly advise you to pause a bit before you press this demand for more societies being started *by the Government*. I would advise you to take the starting of more societies wholly into your own hands. You could then proceed at a rate which no Government Department could achieve. To prevent misunderstanding, I would beg of you to note that I am speaking of the *organisation of new societies*; I am not speaking of the *supervision* and *audit* of the societies, *after they are started*, which, under the law, now vest in the Government Department. Of course, registration cannot be refused to a society, otherwise eligible for it, solely on the ground that it would impose extra work on the Government Department to supervise and audit it.

Some Defects.

9. Another evil of the present situation, which is incidental to the line of policy adopted, is that the movement has apparently not had the same educative results which it is said to have produced in other countries. This aspect of the movement is one on which Sir. F. Nicholson is never tired of reiterating: a perusal of his book would show that the Co-operative Banks in European countries have produced the most remarkable results in developing thrift, prudence self-control, and a number of other cognate virtues. I do not of course say that no results at all in these directions have been achieved here but I believe that I am not far wrong in saying that, compared to the large development in the number of the banks, etc., the educative development has been inappreciable. I would invite your particular attention to this aspect of the matter. No Government Department can do much in this direction. It has to be done, if done at all, by yourself. His Excellency the Governor drew attention, at the last Provincial Conference, to the educative aspect of the question. I shall "quote his words. "The safety and progress of co-operation depends 'upon education. Co-operation is a living principle which must have, "roots in the heads and hearts of the community. If it is to remain "permanently healthy, it cannot be imposed from above. You must "educate and see to it that the principles of co-operation are under-"stood, so that those who benefit may understand thoroughly how to "protect themselves and to manage their own business in their own "village societies.

As already stated, a Government Department cannot do much in a matter like this. The leading men in each village must recognise that their society does not exist solely for the purpose of getting for them a loan from the Madras Central Bank, to be distributed among the needy people in the village, but it should also be the object to

educate the villagers in those ideas of thrift and self-help which are so vital to well-being.

10 It is probably because the *educative* part of the movement is not making adequate progress that the other evil of increasing the volume of indebtedness—*paripasu* with the reduction in the rate of the interest and the increased facilities for borrowing—is now looming ahead. Here again, we have only to refer to Sir F. Nicholson's book to take our warning. Sir. F. Nicholson is never tired of reiterating that *what is needed is not mere extension of credit but credit which would educate and discipline the borrower*. I shall again quote from his book. "It is emphatically *not* the mere outpouring of cheap capital that is required, "*not* the mere grant of cheap and facile credit to classes unprepared "for the boon: what is wanted is the promotion of facilities for "saving, the encouragement of banking deposits, the inculcation of "the true objects, uses and limits of credit; in other words, the de-"velopment of the essential national virtues of thrift, foresight, and "self-help, through institutions organised for those ends.....

.....

"The mere supply of cheap capital *ab extra* is no sufficient remedy; "it would probably intensify the difficulty by increasing the load of "debt; even the supply of such capital by the organisation of credit, "*i. e.*, by the establishment of banks, is inadequate as a radical means "of relief. It is *not* merely cheap and facile credit that is required; "it is a credit which must indeed be cheap, and facile in that it shall "be ever at hand, but it must be credit which shall only be so obtaina-"ble that the act and effort of obtaining it shall educate, discipline "and guide the borrower; it should be granted only to those who "have learned to think, to plan, to save; the method of providing it "must teach the lessons of self and mutual help, and suggest the "extension of those lessons to matters outside of mere credit; it "must be safe not merely in eliminating the dangers of usury, but in "being controlled, heedful and productive.

"Hence, while studying credit and preparing for its organisation, "the object to be borne in mind is not the introduction merely of "cheap capital or of banking credit, but of that system which shall "most readily and thoroughly develop essential national qualities."

11. It would be interesting to know how far it has been possible in this district to obviate the dangers of a mere extension of credit without any of its educative safeguards. I would here draw your attention to what His Excellency the Governer stated at the last Provincial Conference. "At the same time, cheaper money may have

"disadvantages, and it is the case here, and it should not be over-
"looked, that borrowings have increased and the total outstanding
"obligations are relatively greater than they were before the intro-
"duction of co-operation. I hope and believe, however, that, as
"time goes on, this feature may disappear and that the importance of
"thrift, the virtue which above all others should be practised as well
"as preached by co-operators, may check and overcome whatever
"tendencies there may be to heavy borrowing." This, Gentlemen, is
"an important matter, and here again, the Government Department
can do very little to obviate the evil. The remedy is in your own
hands and there should be no hesitation in applying it. I would beg
of the leading men in every village to intervene, even at the risk of
unpopularity, and to see that the boon of cheaper and easier money,
which the movement has brought to the villages, is not abused. I
understand that, in some villages in this district, the ryots have not
really derived much benefit of a permanent kind from the movement,
because, the borrowers have, taking advantage of the cheaper rate of
interest and other facilities, borrowed more. In other words, the
result has been that the burden is again the same so far as the volume
of interest paid is concerned, and in regard to the principal, it has be-
come greater than before. It is to meet this particular evil that
the Raiffeisen Societies insist on what is known as the "productive
employment" of the borrowings made from them. Though our
village banks are now almost wholly on the Raiffeisen model, yet
comparatively few of them, I am told, work effectively this impor-
tant Raiffeisen principle. In the infancy of the movement, the dan-
gers of cheapening money have probably not accentuated themselves,
yet it is there; the evil is bound to grow; and I would advise every
one of you to view the matter seriously and to make a strenuous fight
against it.

Other Co-operative work.

12. Another indication of the comparative weakness of the co-operative spirit is the almost complete failure of the move-ment in the branches of co-operative activity other than that relating to pure credit. As pointed out by the Honourable Mr. A. Butter-worth at the last Provincial Conference, credit co-operation is at once the simplest and most attractive branch of the movement. With a Government Department to start them and to supervise them and with the Central Bank to supply funds, the Madras Presi-dency has managed to get over a thousand Credit Societies. But what of the Productive and the Distributive Societies? Of the two Productive Societies we had at one time, one has, I see, dis-appeared, and in the other, my friend Mr. Ramachandra Sastri is still

struggling on with his self-imposed task of reclaiming the Conjee-veram weaver. As for the Distributive Societies, some of them have been dissolved in recent years: we have, I am told, only half a dozen of them in all now, and less than half the number can be considered successful. The one conspicuously successful Distributive Society, that of Triplicane, was organised and was in working order before it applied for registration; it received no help of any kind from the Government Department except the bare audit. It is significant that the one society which owes least to the initiative of the Registrar and his staff is now the strongest in the co-operative fold. As observed by Sir John Atkinson, "so far, co-operation has been one-sided. Co-
"operative credit is the one branch that has flourished; even its off-
"shoot 'thrift' has as yet shown little signs of growth. What now
"is urgently needed is the development of other branches. If Co-
"operative Societies which have been five and six years at work,
"cannot see their way to develop new sides to their work, that would
"seem to show that the roots of co-operation have not struck deep."

The branches of co-operative activity other than that relating to credit are much more difficult to organise and to work, but that is all the more reason why they should not be neglected. After all, to bor-row money is not a very difficult thing—when there are people to lend it. I think, Gentlemen, that the time has come when you should devote the greater portion of your time and energy to the task of forming and working the numerous kinds of societies other than those relating to mere credit.

Unions.

13. Another unsatisfactory feature of the movement is that the societies have made so very little of real progress towards the forma-tion of Unions for the purpose of their own more effective supervi-sion and control. I must however here say, in fairness to you, that you have gone much further in this direction than any other district. Out of the four Unions in the province, three, I note with pleasure, belong to this district. I have no knowledge how these Unions have been working; but they are, in my opinion, a very hopeful sign of the movement, and I would earnestly advise you to foster them, to work them as vigorously as you can, and to start more of them. If the individual borrower has found strength by joining with other borrowers and forming a society, so the individual society will have to seek strength by joining with other societies and forming a Union. Of course, the organisation and conduct of a Union is a much more diffi-cult thing than the organisation and conduct of a society; this is inevitable; the Union represents the next higher step in the ladder of

the movement. I entirely agree with Mr. Ramachandra Row in the opinion that "the only feasible and proper and adequate method of "supervision (of the individual societies) will be by the Union." Provided that the societies forming a Union are confined to a comparatively small area, and the roping together is strong, for example, by the application of the principal of unlimited liability, each Union should, in course of time, be well able to supervise its component societies. This is what has taken place in other countries, and though I know from experience how very hazardous it is to make any conjecture in regard to any matter concerning the future of the co-operative movement, I think, with your late Registrar, that the Unions have a great future before them and that the most urgent thing for you now to do is to form the Unions. As to what exactly the constitution of a Union should be, there seem to be differences of opinion; it may be that the Union will finally emerge in a form different from the organisations bearing that name now in existence—just as the invidual society finally assumed a form very different from that of the first societies that I started. Personally, I think that, if a Union is to be really effective, its powers over the individual societies must be full. With such a complete identity of interest as must always subsist between the Union and its component societies, I do not see why the former should not have the fullest powers over the latter, and if that object could be attained only by giving the Union the function of financing the societies, in addition to the task of supervising them, there should be no hesitation in doing that, that even though it may, in the present condition of the movement, involve the constituent societies, in paying a somewhat slightly higher rate of interest than what they now do. All these things are, however, matters of detail, and you will no doubt receive very careful guidance from the Government Department reponsible for the movement. That Department will, I know, help and guide you in your task. But the initiative and the working material for each Union must necessarily come from you.

Desirable Developments.

14. I cannot help thinking that, in the present condition of the movement in this district, a mere increase in the number of the societies is not what is urgently wanted. It may be necessary, in several places, to start new societies for the purpose of filling in those gaps which would have to be filled in before the Union are started. But except to this limited extent, it seems to me that the best interests of the movement, in a district like yours, where you have already nearly 200 societies, lie more in working up the existing societies, than in increasing their number. That the movement requires careful toning

up can admit of very little doubt. My friend the Hon'ble Mr. Swamikannu Pillai has given, in his last report, a list of the abuses already visible in some of the societies, I think that you, Gentlemen, who represent so many societies in this district, should now subject them to a careful scrutiny for the purpose of detecting all the weak points and setting them right without delay. Nobody, of course, ever expected that a movement like this, developing on such a large scale and so rapidly, would not at any time display any weak points. All the same, the time comes in the history of every movement when it is advisable to cry temporary halt and to go in for a careful stock-taking. I think that this time has come for your district, and I would advise you to devote yourselves—for the next year or so—to a scrutiny of your existing societies and to working them up and to abstain from starting new ones except where you may find it necessary to do so for fiilling up the gaps towards the formation of the Unions.

15. I shall now say a few words in regard to the important question of the Government supervision. I feel that the first need of the movement—if it is to become really healthy—is to unofficialise it gradually. I see that the Government have, more than once, said in recent years that the time has come for a substantial devolution of their task of supervision. So recently as last January, the Government pointed out "the obvious objections to keeping the movement "always under purely official guidance and supervision." The Government considered that the "true remedy for the abuses indicated by "the Registrar" lay "in promoting a spirit of enquiry and "vigilance among the individual members of the societies and in the "fostering of the growth of an unofficial inspecting agency controlled "as far as possible by those who finance the societies."

Inspection and control.

In the opinion of the Government, the organisation which should take up the inspection and general control of the societies should be one which would fulfil the "combined object of financing and controlling the member-societies" for the very obvious reason that "the power of the purse would give such a union a means to penalise any "society of whose administration it disapproved, while its own "financial interest would tend to ensure a very proper care on "the part of its inspecting staff." It seems to me, Gentlemen, that every true friend of the Co-operative movement should welcome the above pronouncement. It is a step in the direction of that unofficialising of the movement which many of us, who have watched it with some care, consider it absolutely necessary

should be taken in hand. At the same time, there is, of course, the fact that the new agency for supervision would take a long time to develop, and the societies would naturally feel that they should not, during the period of transition, be allowed to run any risk for want of adequate supervision. You need not, however, have any anxiety on this score. His Excellency the Governor publicly gave all Co-operative Societies, last December, an assurance on this subject. I shall qnote His Excellency's words. "It may be, and I trust it "will be, that in time to come this movement may grow so strong as "to wish to stand alone and be independent of all Government "support. But that time has not yet come, though it is gratifying to "see how very small a portion of the capital involved is provided by "Government. At present the work of inspection and audit lies with "Government. I need not point out to you that upon the efficiency "of inspection and audit public confidence in your movement largely "rests. It is therefore my view that, so far and so long as this is so, "the work undertaken by Government should be thoroughly done by "a competent and adequate staff."

16. Gentlemen, after the very emphatic pronouncement quoted above, by the head of the Government, you need have no apprehension on this subject. There is no chance of any policy of withdrawal or diminution of control being worked to your detriment. At the same time, I think that it will be to your own interest to prepare yourself gradually for the coming of the time when the movement would be able to stand on its own legs and to get on with a comparatively small volume of Government control. In his very interesting paper on 'Supervision,' my successor in the office of Registrar, Mr. Ramachandra Row, has pointed out that, even when the societies were so few as 63—which was the number when I handed over charge to him—I had told him that the system of detailed supervision by the Registrar would not do. Mr. Ramachandra Row's experience appears to have been entirely in favour of the view that "continued supervision by Government Inspectors was impossible and inadvisable". He was against co-operation "becoming departmentalised." In Mr. Ramachandra Row's opinion, while "the Government is morally "bound to continue the system of supervision by Government Inspectors till all societies have been affiliated to Unions, as Unions are "formed, the strength of the Government establishment may be "reduced so far as supervision is concerned." His I am glad that the need for transferring gradually the supervision over the societies from the Government Department to Unions and Fedaral Banks was recognised at the last Provincial Conference. It now remains for you, Gentlemen to give effect to this policy so far as your district is

concerned. Of course, after any amount of devolution, a certain volume of Government supervision and control would, I take it, always remain. But that will be in the nature of an intelligent *direction* of the movement. It will presumably be done by a highly paid staff. Your claim for that kind of direction will be considerably strengthened if you take active steps—by forming Unions etc.,—towards reducing the large volume of that petty and detailed supervision by the Government Department which would, if continued for any length of time, end, I fear, in stifling the movement.

17. Now, Gentlemen, let me, before closing my address, thank you sincerely for the great cordiality of your welcome and for the patience with which you have listened to me. I trust that you will forgive me for this somewhat long address. In regard to several points in it, I know that there will be differences of opinion, and I am not vain enough to imagine that every thing that I have said would obtain complete acceptance at your hands. My object in coming here and in addressing you has been to draw your attention to some of the points in regard to the movement—as it now stands—in regard to which careful consideration is necessary, and if I have succeeded in doing that, I should feel that I have not come in vain. Gentlemen, I heartily wish you all success. Remarkable as has been the success already achieved by you in this district, you are, I am sanguine, but at the threshold of a great deal more.

Co-operative Ideals.

Mr. T. S. Subramania Iyer (Kumbakonam) delivered a lecture on "Some Co-operative Ideals," in the course of which he said:—

The primary end and aim of this co-operative movement, in its present limited sphere of operations, was to relieve the indebtedness of the ordinary ryot. After the eradication of indebtedness had been effected and the economic evils of the country associated with it had been removed, which would be the case in a more or less short time, were these Societies to languish for want of work? Relief of indebtedness should not be its only object. The field of co-operation was vast, and afforded scope for varied activities to be carried on simultaneously in different directions. It would be an appropriate employment for Village Societies to turn their thought and their resource, in the first instance, to the initiation and prosecution of agricultural improvements, and the resuscitation of decaying village industries; and in its wake would follow a still larger programme of work bearing on rural concerns.

Another Paper.

A member of a rural Society next read a paper. He said that the

movement had been a blessing to the poor. There need be no fear that it was not adequately appreciated. The people were fully convinced of its numorous advantages. If anywhere any Society should fail, the misfortune must be due to the mismanagement of the Panchayatdars and not to the apathy of the people.

Resolutions.

Mr. V. A. Venkatakrishna Iyer (Uttaramerur), proposed :—

"That this Conference accepts the view that the organisation of fresh Credit Societies, in the Chingleput District must, in future, rest with non-official agency, such as the District Co-operative Society."

He said that hitherto the Government agency had largely been instrumental in starting their Societies. The movement had been at work for the past nine or ten years and people had become acquainted with it and appreciated its advantages. Now that the pioneer work had been done for them by the Government, they should follow their teachings to promote the movement. They should be able to establish their own societies, and administer their internal affairs without the intervention of the Government. They should visit the villages and use their best influence with their countrymen for starting fresh Societies.

Mr. V. Arulayya Naidu (Chingleput), who seconded the Resolution, remarked that they should no longer be dependent on the Government, even in such a simple matter as the opening of new Societies, which was well within their legitimate work if only they chose to do so.

The Resolution was put and carried.

Mr. T. Raghava Chariar, (Madurantakam) proposed :—

"That in forming such Credit Societies in the District, the main object should be to form them in localities, as far as practicable, in the vicinity of existing Societies so as to help in creating Unions for convenient areas."

The mover pointed out that if they were grouped together in a compact area, rather than scattered in distant places, it would facilitate their constitution into a Union and efficient supervision by it.

Mr. Sourirajalu Naidu seconded the Resolution, which was put and carried.

Madras Agricultural Dept. Guindy-600 025

The next Resolution adopted ran :—

"That, in the Chingleput District, the organisation and efficient working of Unions is an urgent need; and that active steps should be taken by the Government Department, in consultation with, and the help of unofficial agency, for forming Unions in addition to those at Uteramerur, Kelacheri and Madurantakam.

Mr. T. Raghavachariar (Madurantakam) proposed :—

"That in the opinion of this conference, a Union, that is to be really successful, must cover a reasonably small area, about five to seven miles radius, and must have full powers of administration and finance over its constituent Societies."

In the discussion it appeared that larger powers than at present existed were proposed to be taken for the governing body of Unions, to be exercised sparingly in exceptional cases of gross neglect and maladministration by the Panchayats, of a Society to interfere to rectify defects in their internal management and to disaffiliate it from the Union for persistent perversity when such cases arose.

The President was reluctant to encourage any ill-advised interference with the internal independence of Societies in the management of their details and to subject them to punishments and humiliations, which would reduce them in general esteem. In cases of repeated misconduct, however, liberty should be given to dissolve the Society concerned or to dismember it from the Union.

The Resolution was put and adopted.

Mr. P. Ramachandra Sastrial (Conjeeveram) proposed :—

"That this Conference is of opinion that the time has come for taking effective steps for organising Co-operative Societies for purposes other than pure credit, more particularly for agricultural improvement."

Mr. Narasimhachariar seconded the Resolution, which was put and agreed to.

Dewan Bahadur M. Audinarayana Iyah proposed :—

"That this Conference desires to place on record its emphatic opinion that it would be disastrous if the Government supervision is either withdrawn or reduced till the supervision to be provided by the Union is well able to take its place."

The mover pointed out that what had mainly contributed to the success and popularity of the movement thus far seen in its progress had been the well-known fact that it started under the encouragement of the Government their administration being directed and supervised by it and the audit of their accounts conducted by it. That guaranteed the security needed in the infancy of the movement, from which it could not be said to have yet wholly emerged. Government connection and direction could not be dispensed with at this stage without serious damage to the cause.

On being duly seconded, the Resolution was passed.

Mr. P. Ramachandra Sastrial (Conjeeveram) moved:—

"In regard to the Government audit, this Conference submits that the large number of Societies registered under Act X of 1904 are entitled to free audit, as they were started in the assurance that such free audit would always be given. Further, though Act II of 1912 provides for a charge being levied, the Conference begs respectfully to urge that such a charge should not be levied for a long time to come as it would seriously cripple the movement."

The Resolution was duly seconded and carried.

Annual Reports.

The Annual Reports of some of the Societies in the District were presented by the Secretaries thereof describing their work during the year, which showed, in the case of some Societies, considerable expansion in their operations.

Conclusion.

The Chairman, Dewan Bahadur P. Rajagopalachariar, C.I.E, was warmly thanked not only for presiding over that Conference, but also for the impetus he gave to the spread of the movement in the District when he was Registrar.

To Mr. O. N. Venkatanatha Iyengar, Secretary, a special vote of thanks was accorded for his unremitting services to the cause which, under his care, was said to have prospered so well.

The Conference was then dissolved.

APPENDIX—II.

WORKING OF CO-OPERATIVE SOCIETIES

FOR THE YEAR 1911-1912.

A. CENTRAL SOCIETIES.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
427	The Coimbatore District U. B. Ltd. ...	19800	15434	151346	36400	222980	88695	2128	675	1	1300	
530	The Tenali District U. B. Ltd. ...	3500	100	5810	54470	63880	61440	175	85	...	...	
18	The Madras Central U. B. Ltd. ...	200050	1059356	840617	...	2100023	939010	42538	40634	189	298660	
151	The Salem District U. B. Ltd. ...	30000	41845	229832	...	301677	53470	5569	3451	...	24493	
178	The Trichinopoly Dt. U. B. Ltd. ...	20600	121880	29726[illegible]	[illegible]	[illegible]743	490397	3835	1688	...	...	
	B. URBAN SOCIETIES											
	North Arcot District. Tiruvannamalai Tq.											
570	The Tiruvannamalai U. C. S. Ltd. ...	2654	1798	1920	...	6372	3685	290	4854	2	115	
	South Arcot District. Tindivanam Taluk.											
46	The Tindivanam U. B. Ltd. ...	12734	4662	20281	13000	50677	32619	1434	4056	59	6429	
	Chingleput District. Conjeevaram Taluk.											
3	The Big Conjeevaram Town Bank Ltd. ...	9729	23946	30052	...	63727	45603	1985	4796	13	1807	
375	The Chingleput U. B. Ltd. ...	1227	6452	5330	2500	15509	11363	395	204	1	53	
381	The Litttle Conjeevaram U. S. Ltd. ...	5515	15506	11664	3500	36185	36473	552	307	3	575	
	Chittor District. Chittoor Taluk.											
59	The Chittor U. C. S. Ltd. ...	1693	2510	150	1450	5803	[illegible]975	159	817	[illegible]7	365	
	Coimbatore District. Erode Taluk.											
597	The Erode U. B. Ltd.	1518	1758	546	...	3822	[illegible]484	119	47	...	...	

1 CASH LIMITED.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Guntur Dt. Tenali Tq.											
22	Tenali U. B. Ltd.	...	10301	13774	7500	31575	25805	74	2669	72	4872	
	Ongole Taluk.											
96	The Ongole U.C.S. Ltd.	705	500	...	3000	4205	600	182	348	40	3007	
	Kurnool District.											
	Kurnool Taluk.											
109	The Kurnool U. C. C. B. Ltd.	2039	6090	4311	...	12439	8150	414	647	29	2219	
	Madras Dt.											
52	The Madras & Southern Mahratta Railway Employes' U. B. Ltd.	31460	9900	7175	...	48535	97107	4042	2000	...	...	
900	The Madras City Co-operative Bank Ltd.	10962	1060	4290	...	16312	14590	314	79	...	...	
	Madura District.											
	Dindigul Taluk.											
193	The Dindigul U.B. Ltd.	2860	4265	11700	...	18825	14711	886	996	95	1351	
	Ramnad Dt. Sattur Tq.											
45	The Paramakudi U. B. Ltd.	1778	597	6400	...	8775	8040	209	790	20	1092	
	Salem Dt. Salem Tq.											
25	The Salem U. C. S. Ltd.	1944	18485	8925	...	29354	63176	824	4854	18	1219	
	Krisnagiri Taluk.											
118	The Krishnagiri U. B. Ltd.	3290	1154	536	2400	7380	7910	537	690	7	930	
	Hosur Taluk.											
601	The Matigiri U. B. Ltd.	4003	270	260	...	4533	3471	341	171	...	...	
	Tanjore Dt. Tanjore Tq.											
8	The Nicholson Town Bank Ltd.	20505	731	5386	...	26622	14394	705	1071	16	2336	
	Mannargudi Taluk.											
27	The Mannargudi U. B. Ltd.	...	26323	14406	...	40729	28630	587	2437	69	4174	
	Negapatam Taluk.											
378	Tiruvalur Sri Kamalambika U. B. Ltd.	8691	436	12	4000	13139	13439	707	228	22	887	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members on societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
957	The Nilambikai U. B. Ltd. ...	140	...	...	...	140	...	9	9	...	...	
	Trichinopoly District. Namakkal Taluk.											
19	The Namakkal U. B. Ltd. ...	4502	6422	9601	...	20525	16175	427	1877	16	958	
	Trichinopoly Taluk.											
919	The Trichinopoly 8th Ward Co-operative Society Ltd. ...	1200	...	500	2000	3700	3600	23	8	...	...	
	Canara South. Mangalore Taluk.											
935	The Mangalore Catholic Co-operative Credit Society ...	1074	...	...	...	1074	...	21	...	...	...	—Loss 21-4-11
	CASH UNLIMITED 2.											
	Anantapur District. Penukonda Taluk.											
371	The Penukonda T B. Arcot Dt. Walajah Tq	1234	343	5492	2850	9919	5365	288	743	49	2224	
98	The Sholinghur U. B. Gudiyattam Taluk.	1845	1914	3409	...	7168	5453	359	500	15	654	
812	The Gudiyattam U. B. Vellore Taluk.	1208	1037	...	5000	7245	7335	98	33	...	...	
754	The Pallikonda U. B. Ganjam District. Berhampore Taluk.	680	102	5	8500	9287	8620	68	23	...	...	
40	Berhampore U. B. ... Madura District. Tirumangalam Taluk.	24499	5555	6825	...	36879	15360	1450	4234	8	1508	
29	The Tirumangalam U. B. ... Tanjore Dt. Tanjore Tq.	2284	500	7927	...	10711	9570	706	1443	1	68	
835	Tanjore Town Teachers' U. C. S. ...	49	...	...	...	49	...	4	...	...	...	—Loss 4-2-9

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Tirutturaipundi Taluk.											
603	Tirutturaipundi U. B...	1345	1871	3555	...	6771	7995	150	150	...	...	
637	Swamimalai U. B. ...	666	30	3400	...	4096	5220	52	52	...	...	
	Chingleput District.											
	Trivellore Taluk.											
623	Trivellore U.C.C.S. ...	1116	646	375	9500	11637	12253	85	28	...	...	
	OTHERS 1 LIMITED.											
	Coimbatore District.											
	Coimbatore Taluk.											
26	The Coimbatore U. B. & Stores ...	1540	7592	5458	...	14590	4750	1026	755	7	122	
	Chittore District.											
	Madanapalli Taluk.											
63	The Madanapalli U. B. & Stores ...	1154	45	2000	...	3199	225	152	195	4	140	
	Kurnool District.											
	Kurnool Taluk.											
58	The Kurnool U. Co-operative Stores ...	655	...	...	...	635	...	12	421	...	...	
	Madras.											
15	The Triplicane U.C.S...	23547	24608	...	...	48155	14873	20529	18200	6	82	
	Madura Dt. Madura Tq.											
28	The Madura U. C. S. & Stores ...	1995	28644	30823	...	61462	62951	1278	4633	15	979	
	Niligiri Dt. Ooty Tq.											
374	The Ootacamund U. C. Stores ...	347	9	347	...	703	...	392	...	...	...	Loss 391-12-3
	Coonoor Taluk.											
938	The Anglo Indian League Co-operative Stores ...	160	23	...	...	183	...	6	2	...	...	
	Chingleput District.											
	Saidapet Taluk.											
922	The Mambalam C.S. ...	9900	1700	4300	...	5900	...	187	47	...	...	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912. Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.	Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default. No.	Default. Amount.	Remarks.
1	2	3	4	5	6	7	8	9	10	11	12	13
	2 UNLIMITED.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Chingleput District. Conjeeveram Taluk.											
21	The Big Conjeevaram U. Weavers' Union.	...	169	3633	600	4402	468	168	261	2	4	

C. RURAL SOCIETIES

CASH LIMITED 1.

	Chingleput District. Tiruvellore Taluk.											
1	Tirur R. C. S. *	...	390	596	1240	...	2226	1597	138	630	...	...	
	Cuddapah District. Pullampet Taluk.											
10	The Nandalur A.Bank.†		620	2499	1580	6300	10999	5583	—5	1591	26	2039	Loss 5-1-8
	Ramnad Dt. Sattur Tk.											
13	The Nambipuram Agri. Bank‡	...	1360	...	480	150	1990	2200	128	876	13	392	
	Tanjore District. Mannargudi Taluk.											
7	The Nidamangalam Agri. Bank ¶	...	3472	1396	4355	2000	11223	13915	106	1992	1	240	
	Tanjore Taluk.											
9	The Melattur A.Bank.§		4614	1025	4690	1000	11329	9798	184	2063	11	900	
	Tinnevely District. Ottapidaram Taluk.											
6	The Vilatikulam Agri. Bank $	...	825	867	1382	2000	5074	4652	267	1204	3	207	

* Includes Rs. 240 loan from Government.
† „ „ 720 „ „
‡ „ „ 270 „ „
¶ „ „ 1200 „ „
§ „ „ 690 „ „
$ „ „ 510 „ „

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	North Arcot District. Arkonam Taluk.											
456	Alappakkam ...	250	87	...	3000	3337	3137	80	145	...	...	Loss.
655	Mambudur ...	34	140	...	1500	1674	1663	—4	...	...	...	
	Wandiwash Taluk.											
12	Vadanangur * ...	861	1340	637	1000	3838	2700	196	1006	1	100	
17	Salavedu † ...	362	...	945	2000	3307	2000	111	1103	...	...	
64	Anakkavur ...	680	350	...	3000	4030	1839	95	402	1	50	
80	Velliyampakkam ...	138	...	...	2400	2538	538	44	224	...	...	
845	Anmarudai ...	76	...	...	1200	1276	1225	—9	...	...	...	Loss.
846	Raghunadasamudram...	92	...	...	...	92	90	...	...	...	...	Net profit 0-13-11.
	Cheyyar Taluk.											
190	Ukkal ...	450	...	...	4600	5050	1940	78	252	1	10	
788	Sodyampakkam ...	100	...	...	1000	1100	1075	—6	...	...	...	Loss.
798	Palli ...	113	...	...	900	1013	975	—8	...	...	...	Loss.
799	Menallur ...	191	...	...	4050	4241	4550	—1	...	...	...	Loss.
801	Punnai Puduppalayam.	64	...	...	1000	1064	1050	—10	...	...	...	Loss.
	Wallajah Taluk.											
4	Kaveripauk ‡ ...	1037	1715	3444	5000	11196	5324	95	2381	79	2574	
113	Thalangai ...	170	...	...	1950	2120	547	17	196	8	444	
164	Valluvambakkam ...	203	...	...	4600	4803	373	169	406	52	3999	
176	Vangur ...	89	...	...	1600	1689	275	27	116	4	188	
215	Sirukarumbur ...	37	...	...	700	737	297	16	16	9	275	
233	Gudimallur ...	140	...	...	2500	2640	1395	50	147	4	225	
235	Olugur ...	79	166	42	1300	1587	300	17	89	3	482	
236	Rendadi ...	144	...	...	4200	4344	796	63	198	4	163	
454	Kadapperi ...	244	...	...	2700	2944	1760	74	130	18	619	
455	Seri ...	154	...	...	1700	1854	733	43	73	28	525	
457	Tirupparkadal ...	247	...	...	2000	2247	1340	64	106	...	...	
471	Senasamudram ...	85	...	...	1500	1585	100	32	68	...	...	
472	Tirumalacheri ...	90	...	...	1500	1590	350	25	52	2	75	

* Includes Rs. 600 loan from Government.
† „ „ 945 „ „
‡ „ „ 1200 „ „

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
473	Sumaitangi ...	152	200	...	2500	2852	1415	27	38	8	127	
476	Karivedu ...	144	...	...	1900	2044	50	50	99	34	1765	
823	Mangadu ...	112	...	...	2000	2112	2055	...	...	...	...	Net profit & reserve fund [0-3-0.
847	Kalavai ...	306	45	5	3000	3356	3375	15	15	...	...	
	Gudiyattam Taluk.											
681	Ananganellur ...	75	25	...	3000	3100	3092	24	24	...	...	
702	Arumbakkam ...	108	63	...	2500	2671	2680	19	19	...	...	
747	Tutippattu ...	70	...	...	1000	1070	1080	3	3	...	...	
850	Tarapadavedu ...	85	47	...	3000	3132	3075	2	2	...	...	
851	Katpadi ...	29	...	...	...	29	24	—5	...	...	...	Loss.
	Tirupattur Taluk.											
809	Kettendapatti ...	92	...	...	3000	3092	3085	14	14	...	...	
	Vellore Taluk.											
807	Poygai ...	55	...	...	1000	1055	1053	3	3	...	...	
	Tiruvannamalai Taluk.											
954	Kil Pennallur ...	173	25	...	...	198	225	29	29	...	...	
	Nellore District.											
	Kandukur Taluk.											
34	Kandukuru * ...	695	...	480	1500	2675	...	16	471	16	795	
843	Kondamudusupalem ...	87	...	...	3500	3587	3565	13	13	...	...	
	Gudur Taluk.											
24	Gudur † ...	2455	...	1750	3100	7305	1325	221	2046	72	2660	
	Chittoor District.											
	Chandragiri Taluk.											
103	Chandragiri ...	576	185	8	6800	7569	7076	150	614	7	576	
	Madanapalle Taluk.											
615	Pedda Tippasamudram.	95	...	...	2000	2095	2150	9	9	...	...	
616	Madanapalle Kandukuru ...	60	...	...	1000	1060	1050	4	4	...	...	
633	Katuagallu ...	93	...	...	2000	2093	2065	14	14	...	...	
634	Chittoor Mulakalacheruvu ...	51	...	...	1200	1251	1260	—4	...	...	...	Loss.
640	Ghattu ...	57	...	...	2000	2057	2102	—12	...	...	...	Loss.

* Includes Rs. 480 loan from Government.

† " " 1400 " "

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
641	Birangi ...	37	...	...	...	37	40	4	4	...	...	
642	Bodikayalapalle ...	75	...	...	2000	2075	1740	—15	...	...	...	Loss.
	Vayalpadu Taluk.											
77	Tatiguntapalle * ...	410	...	180	1800	2390	799	62	356	14	341	
609	Vayalpad Sripratapa Ramaswami ...	33	...	...	...	33	25	—1	...	1	25	Loss.
610	Tarikonda ...	258	...	...	2500	2758	2813	69	69	...	...	
619	Kalikiri ...	70	...	...	1500	1570	1610	18	18	...	...	
639	Medikurti ...	140	...	...	3000	3140	3300	29	29	1	25	
646	Chintaparti ...	37	...	...	2500	2537	2508	15	15	...	...	
	Tiruttani Taluk.											
624	Mamdavallipuram ...	80	...	...	1500	1580	1600	20	20	...	...	
	Salem Dt. Omalur Tq.											
104	Taramangalam ...	1270	...	...	5900	7170	1075	214	890	33	1678	
106	Tolur ...	730	...	...	2700	3430	2020	133	437	...	...	
107	Omalur ...	2185	245	9484	...	11914	7710	470	1177	2	170	
110	Mechcheri ...	920	...	...	4900	5820	2775	152	581	...	...	
111	Vanavasi ...	1785	...	...	8000	9785	5725	296	1004	...	...	
115	Pottipuram ...	2760	283	7000	7150	17193	9580	598	1530	5	227	
116	Jalakantapuram ...	1905	112	165	6900	9082	2350	317	994	...	...	
117	Muttunayakkanpatti ...	910	...	...	1600	2510	...	92	505	2	225	
166	Kadiyampatti ...	790	...	...	2300	3090	1500	176	475	7	705	
167	Mallikundam ...	218	15	...	2400	2633	775	79	239	...	...	
168	Pallipatti ...	169	...	...	1900	2069	50	75	178	8	439	
169	Tholasampatti ...	1345	140	106	9000	10591	4921	209	746	...	...	
173	Chinnapanpatti ...	394	...	...	4550	4944	1790	92	350	5	565	
174	Pannappatti ...	342	4	...	4200	4546	1455	112	422	13	782	
208	Kanjanayakanpatti ...	609	...	...	1800	2409	330	100	306	8	843	
209	Nadupatti ...	424	12	...	2100	2536	610	110	253	...	...	
220	Kallippatti ...	760	25	...	3895	4680	1800	136	431	3	540	
229	Potteneri ...	600	691	...	4500	5791	3660	127	309	...	...	
289	Manathal ...	546	510	125	5750	6922	1740	195	374	...	...	
290	Maramangalam ...	374	86	...	4200	4660	1269	68	204	1	15	
291	Amarakundi ...	516	460	...	5100	6076	2915	154	329	...	...	

* Includes Rs. 180 loan from Government.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
319	Aranganur ...	192	...	30	950	1172	480	48	89	8	442	
327	M. Nallakkavudampatti	253	284	...	2700	3237	790	72	188	...	...	
330	Veerakkal Pudur ...	235	...	...	2700	2935	782	74	206	...	...	
331	Gonur ...	708	78	...	4600	5386	1551	117	361	8	425	
332	Potteneri Nallakkavudampatti ...	390	...	...	4600	4990	1240	119	329	1	60	
762	Periya Soragai ...	166	1	...	2000	2167	2175	22	22	...	...	
768	Kettunayakkanpatti ...	83	20	...	2000	2103	2125	...	...	...	...	Net profit 0–3–4.
777	Nangavalli ...	91	2	...	...	93	100	10	10	...	...	
	Tiruchengode Taluk.											
171	Mamundi ...	622	100	...	3300	4022	1760	120	418	3	235	
172	Samudram ...	278	...	...	2500	2778	300	68	225	5	420	
228	Gudalur ...	403	110	15	4700	5228	2940	120	307	6	568	
232	Ernapuram ...	597	130	...	4700	5427	1000	131	452	21	1355	
267	Edappadi ...	1386	...	...	5600	6986	2250	342	791	5	595	
268	Komarapalayam ...	1256	...	...	4950	6206	2590	280	724	2	260	
269	Illupuli ...	280	10	...	3500	3790	1270	73	228	...	...	
270	Edangansalai ...	126	...	...	450	576	200	13	48	...	...	
897	Tiruchengode ...	82	10	...	1000	1092	975	1	...	...	...	Actual net profit 0–9–10.
	Atur Taluk.											
94	Atur ...	2364	64	...	9600	12028	4595	404	1330	17	1871	
271	Abinavam ...	168	...	...	1350	1518	100	45	115	13	1456	
272	Ettapur ...	376	144	2000	4350	6870	5115	211	297	10	960	
764	Tiaganur ...	234	2	...	...	236	275	50	50	...	...	
779	Viraganur ...	261	5	...	...	266	300	57	57	...	...	
780	Gangavalli ...	518	30	...	3000	3548	3650	122	122	...	...	
	Dharmapuri Taluk.											
119	Palakondu ...	1390	5	305	4900	6600	2445	244	698	9	730	
120	Krishnapuram ...	616	1	...	2400	3017	1105	100	309	1	5	
121	Adamankottai ...	935	22	...	4946	5973	965	200	530	22	2592	
122	Dharmapuri ...	1350	25	...	4250	5625	2050	196	628	9	608	
266	Laligam ...	271	...	...	3600	3811	690	101	252	6	300	
353	Papparapatti ...	420	16	...	2250	2686	535	78	178	...	...	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Krishnagiri Taluk.											
50	Kannandahalli * ...	339	...	1600	...	1939	8017	368	2416	4	252	
320	Jaggasamudram ...	185	47	2023	2550	4805	1684	115	221	...	...	
350	Jambuguttapatti ...	462	141	...	3000	3603	632	111	212	18	1652	
	Salem District.											
	Uttangarai Taluk.											
75	Jammanahalli ...	...	132	1060	3700	4892	6772	175	915	6	149	
123	Adikarapatti ...	...	...	...	2800	2800	580	63	283	...	...	
124	Pallippatti ...	...	23	...	3600	3623	882	82	383	8	416	
125	Kambainellur ...	...	20	...	3200	3220	1307	58	284	...	...	
126	Kondrampatti ...	...	50	...	1800	1850	1102	50	132	...	...	
127	Ichampadi ...	...	...	...	4000	4000	1015	95	522	5	265	
128	Harur ...	1500	...	...	5350	6850	3446	256	834	13	1162	
129	Uttangarai ...	712	12	...	4750	5474	1682	128	505	13	870	
253	Ranimukkanur ...	240	...	...	3000	3240	404	82	151	8	684	
254	Ponneri ...	170	...	...	1800	1970	590	59	130	1	10	
231	B. Pallippatti ...	...	28	...	1350	1378	211	20	74	...	...	
329	Singarapett ...	390	...	...	4000	4390	983	104	215	7	898	
335	Papereddipatti ...	286	...	...	2800	3038	1780	74	141	...	...	
336	Venkatasamudram ...	336	...	...	2900	3236	1098	83	213	5	456	
340	Menisi ...	226	...	...	1800	2026	562	48	104	6	157	
341	Bairnatham ...	460	10	...	4100	4570	2800	92	209	...	...	
510	Gopalapuram ...	...	100	...	3450	3550	2833	97	114	1	24	
750	Vasikavundanur ...	111	...	...	2000	2111	2220	16	16	...	...	
765	Buddireddippatti ...	167	...	...	3000	3167	3235	19	19	...	...	
769	Tenkaraikottai ...	...	206	...	2200	2406	3041	...	...	7	229	Net profit 0-0-9.
775	Ramayampatti ...	...	10	...	4000	4010	4210	95	95	...	...	
	Salem Taluk.											
43	Pakalpatti † ...	2117	179	899	7600	10795	8650	605	2119	7	162	
44	Panamarattuppatti ‡ ...	1850	293	1620	6400	10163	5370	380	1755	5	305	
105	Oduvankurichchi ...	685	...	...	3347	4032	...	135	508	16	2163	
108	Namagiripettai ...	1275	607	1086	5200	8168	4690	346	668	19	1597	
112	Rasipuram ...	1778	1080	484	8300	11642	6720	360	788	6	980	

* Includes Rs. 1600 loan from Government.

† ,, ,, 800 ,, ,,

‡ ,, ,, 1600 ,, ,,

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
114	Kannangurchi ...	1950	550	6000	1750	10250	8030	294	807	...	...	
130	Attayampatti ...	1692	6780	...	1000	9472	6135	428	1367	8	1697	
131	Madivampatti ...	795	...	2	4200	4997	1230	198	551	9	364	
165	Neykkarapatti ...	1538	8301	10200	...	20039	13494	612	1237	...	...	
206	Pulaveri ...	486	10	...	4650	5146	3366	114	265	2	95	
703	Mallur ...	178	5	...	2000	2183	2210	40	40	...	...	
705	Agrahara Nattarmangalam ...	241	...	...	2000	2241	2175	50	50	...	...	
778	Pattanam ...	210	31	...	1800	2041	2015	41	41	...	...	
898	Pillanallur ...	263	...	...	2500	2763	1700	36	36	...	...	
	Chingleput District. Madurantakam Tk.											
41	Uttaramallur* ...	2498	12355	29398	45800	90051	44227	2126	7894	...	...	
42	Kalyampundi† ...	763	212	806	4700	6475	3308	141	876	...	...	
100	Karunguli ...	759	125	...	9200	10084	5590	218	610	7	562	
132	Maruttuvambadi ...	224	302	...	3600	4126	1553	73	249	...	...	
133	Perunkoli ...	220	...	...	4200	4420	2387	67	234	...	...	
134	Kammalampundi ...	762	981	294	11500	13537	7597	256	714	...	...	
152	Silavattam ...	1060	20	...	8200	9280	550	223	858	1	100	
153	Ravattanallur Kandigai ...	127	51	...	2200	2378	1979	43	118	...	...	
154	Meltandarai ...	103	125	...	2000	2228	565	38	120	...	...	
155	Serappakkam ...	32	...	...	670	702	425	14	35	1	15	
156	Manampatti Kandigai..	220	80	...	3400	3700	2807	133	196	3	177	
157	Kariveppampundi ...	154	181	...	1750	2085	994	42	134	1	30	
158	Nelvoy ...	318	189	100	6100	6657	4376	94	186	...	...	
159	Nanjipuram ...	218	44	...	3300	3562	1054	78	186	1	72	
160	Orattur ...	385	...	...	4600	4985	55	166	475	37	3416	
162	Melpakkam ...	118	...	...	1600	1718	89	24	98	...	...	
163	Anumantandalam ...	114	2	...	1750	1866	320	19	74	...	...	
187	Kattayampandal ...	354	223	...	5800	6377	2530	70	186	...	...	
188	Ozhaiyur ...	152	70	...	2600	2822	190	18	90	21	1210	
189	Mangalam ...	138	51	...	2000	2189	600	50	97	...	...	

* Includes Rs. 1600 loan from Government.

† " " 800 " "

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
191	Ammayappanallur ...	63	...	...	1050	1113	25	29	44	...	...	
192	Madurantakam ...	2838	1195	15824	23600	43457	21191	959	2100	10	424	
212	Perunagar ...	440	437	...	7400	8277	3035	102	206	...	...	
225	Salavakkam ...	490	...	...	7000	7490	4275	193	324	2	125	
247	Vengachcheri Adavakkam ...	89	12	...	1000	1101	314	23	55	...	...	
248	Arunkunnam ...	296	44	...	3800	4140	870	69	176	...	...	
249	Madhur ...	442	146	...	4800	5388	2787	126	267	6	257	
262	Veppanai ...	236	226	6	4000	4468	1087	118	241	5	264	
263	Tittalam ...	220	54	...	3600	3874	228	81	172	9	535	
313	Palliagaram ...	272	133	...	4400	4805	1289	141	253	...	...	
314	Kummaravadi ...	480	588	...	7700	8768	4084	150	277	...	...	
315	Oratti ...	190	138	...	6400	6728	2755	127	260	...	...	
333	Pulippakkam ...	143	125	...	2300	2568	999	58	108	1	39	
334	Alappakkam ...	149	12	2	2500	2663	643	71	147	2	45	
352	Pennalur ...	180	18	...	3000	3198	982	59	98	...	...	
401	Kidangarai ...	148	15	...	3000	3163	1532	75	82	...	...	
405	Tiruvandavarrai ...	124	78	50	2500	2752	1716	68	75	1	25	
406	Mambudur ...	135	...	...	2100	2235	1212	44	61	...	...	
407	Koditandalam ...	89	...	...	1000	1089	...	35	44	15	1050	
445	Sanur ...	59	...	...	1000	1059	450	8	8	...	...	
449	Puttalai ...	190	...	...	4000	4190	2972	77	102	1	10	
453	Ozhukarai ...	268	684	...	4000	4952	3702	56	69	...	...	
468	Padalam ...	312	...	15	5700	6027	2660	95	132	1	450	
486	Kondachcheri ...	144	...	...	2000	2144	625	25	30	...	...	
535	Vengaram ...	68	...	...	1850	1418	730	— 7	..	...	...	Loss.
565	Kottankulam ...	374	440	...	6500	7314	4663	138	153	...	...	
569	Vellapputtur ...	376	395	10	5000	5781	3392	89	90	...	...	
574	Karandi ...	82	...	...	1700	1782	976	10	10	...	...	
585	Ongur ...	238	...	...	5000	5238	5375	15	15	...	...	
592	Karuppur Nelvoy ...	247	...	...	4500	4747	4745	71	78	...	...	
593	Esur-Budur ...	274	117	...	6000	6391	6515	91	91	...	...	
595	Arasanimangalam ...	104	...	...	2500	2604	2535	—21	...	...	...	Loss.
596	Marudam ...	232	99	...	4700	5031	5118	14	14	...	...	
605	Sittamur ...	176	...	...	4000	4176	4250	35	35	1	50	
610	Mukandagiri ...	167	...	...	5000	5167	5604	71	71	1	4	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
626	Acharapakkam ...	235	...	...	4000	4235	4250	56	56	...	...	
631	Kavanurpuduchcheri ...	430	287	399	9000	10116	10024	63	63	...	...	
661	Malayankulam ...	396	242	...	8500	9138	9487	56	56	...	...	
672	Azhisur ...	224	...	...	5000	5224	5280	29	29	...	...	
682	Vadattanur ...	116	58	...	2500	2674	2720	—6	...	...	...	Loss.
699	Devadur ...	129	...	...	5000	5129	5877	...	...	...	...	Net profit & reserve fund
700	Kavadur ...	83	2	...	1700	1785	1787	—11	...	1	5	Loss. [Rs. 0-6-8
701	Tachchur ...	157	...	...	7600	7757	7765	29	29	...	...	
712	Sembur ...	316	...	...	6500	6816	7020	77	77	2	45	
713	Kinarkandigai ...	198	...	...	8000	8198	8165	5	5	...	...	
744	Perumbair ...	132	...	...	6000	6132	6250	25	25	...	...	
748	Sittanakkavur ...	226	...	...	3000	3226	3435	44	44	...	...	
749	Inam Kilakkudi ...	88	...	...	2000	2088	2050	...	...	...	...	Net profit & reserve fund
792	Tiruppulivanam ...	102	51	...	2500	2653	2550	—6	...	...	...	Loss. [Rs. 0-8-0
853	Edayampudur ...	76	...	...	...	76	20	—17	...	...	...	Loss.
854	Inam Karumbakkam ...	138	...	...	3000	3138	3130	—11	...	...	...	Loss.
	Chingleput Taluk.											
141	Salur ...	705	...	...	8400	9105	3332	65	485	31	3094	
175	Oragadam ...	508	398	...	10200	11106	6171	145	367	3	95	
226	Kolattur ...	353	659	...	9700	10712	5267	194	381	...	...	
311	[illegible] ...	207	81	...	4650	4938	575	84	195	40	2177	
42	[illegible]nukkunram ...	730	398	...	9600	10728	1300	285	492	21	2774	
[illegible]	[illegible]di ...	183	...	...	3700	3883	1605	82	97	...	...	
54	[illegible]varam ...	166	...	...	6500	6666	2883	129	132	...	...	
62	[illegible]ppam ...	97	...	...	1000	4097	4297	26	26	...	...	
706	Gudivanjeri ...	51	...	...	2000	2051	2037	—2	...	...	...	Loss.
770	Tirunilai ...	153	...	...	2500	2653	2725	18	18	...	...	
771	Manjur ...	178	...	...	2000	2178	1112	—7	...	...	...	Loss.
800	Nemmeli ...	125	...	...	1500	1625	1590	15	15	...	...	
817	Chinglepat Mamundur.	168	...	...	3000	3168	3160	7	7	...	...	
	Conjeevaram Taluk.											
5	Damal * ...	...	2275	1170			4060	87	1344	9	993	
51	Kallipattu † ...	640	1938	800	9700	13145	3908	166	921	3	168	
					...	3378						

* Includes Rs. 1170 loan from Government.

† „ „ 800 „ „

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
92	Molasur ...	207	749	2050	5300	8306	8625	124	581	...	...	
97	Akkamapuram ...	...	...	...	2400	2400	2506	40	129	2	19	
142	Pichivakkam ...	596	1179	59	3900	5734	5237	146	530	10	274	
143	Kanantangal ...	208	101	...	1200	1509	2038	14	114	...	...	
141	Edayarpakkam ..	182	37	...	2600	2819	2954	57	114	4	213	
146	Kappankottur ...	93	...	...	1650	1743	930	42	104	17	784	
337	Sokandi ...	...	10	...	1280	1290	1430	18	29	1	9	
338	Maduramangalam ...	140	...	...	1700	1840	868	30	72	3	125	
636	Govindapadi ...	70	...	...	3300	3370	3365	16	16	...	...	
676	Tiruvankaranai ...	200	...	...	3700	3900	5925	43	43	...	...	
677	Echchur ...	506	56	...	9000	9562	9815	144	144	...	...	
685	Palayasivaram ...	218	...	...	2200	2418	2420	13	13	...	...	
789	Podavur ...	71	...	...	2500	2571	2600	10	10	...	...	
790	Sellampattadai ...	122	...	...	3200	3322	3323	14	14	1	5	
805	Kavantandalam ...	77	...	...	2000	2077	2065	...	...	...	...	Net profit & reserve fund
920	Kilperumanallur ...	120	...	...	2500	2620	2635	—15	...	...	...	Loss. [0-12-6
	Tiruvellur Taluk.											
1	Tirur * ...	390	596	1240	...	2226	1597	138	630	...	...	
2	Kilacheri † ...	1020	4974	5212	...	11206	9513	195	1480	...	...	
16	Alinjivakkam ‡ ...	495	...	455	800	1750	957	82	497	15	725	
33	Thozhur § ...	609	277	81	6200	7167	5321	24	310	4	153	
37	Zemin. Nugumbakkam. ...	75	160	1550	1785	1532	44	261	...	...		
61	Pondavakkam ¶ ...	1472	962	1600	5200	9234	7223	426	1628	5	262	
91	Tirupandiyur ...	...	640	45	1700	2385	3074	72	381	...	...	
99	Narasingapuram ...	485	5	...	5700	6190	4842	81	364	1	6	
138	Kizhnallattur ...	345	10	...	2500	2855	2127	100	252	...	...	
339	Sattarai ...	100	11	...	1300	1411	1772	15	59	3	118	
343	Kuvam ...	322	631	117	2700	3770	2029	85	166	...	...	
356	Erayamangalam ...	173	102	2040	750	3065	2790	39	206	2	15	
370	Pudupattu ...	172	4	...	2900	3076	2163	25	50	...	...	

* Includes Rs. 240 loan from Government.

† „ „ 1200 „ „

‡ „ „ 105 „ „

§ „ „ 80 „ „

¶ „ „ 1600 „ „

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
460	Tannirkulam ...	112	10	...	1800	1922	605	24	41	...	...	
461	Puttur ...	227	87	11	3000	3325	696	58	120	12	420	
462	Sevvappettai ...	93	...	...	1600	1693	453	15	29	2	38	
482	Pakkam ...	208	136	...	3000	3344	1672	42	95	2	57	
539	Perambakkam ...	148	2	...	3000	3150	3079	41	56	...	...	
540	Mappedu ...	166	308	...	2300	2774	2824	30	212	...	...	
541	Irulancheri ...	101	...	...	1600	1701	1737	29	40	...	...	
542	Kumaracheri ...	205	151	...	4000	4356	2368	70	116	...	...	
566	Pillayarkuppam ...	68	42	...	1225	1335	1015	—11	119	...	...	Loss.
567	Zemin Mudugur ...	112	135	...	2000	2247	2196	33	202	...	...	
628	Ikkadu ...	406	37	...	5000	5443	6555	135	135	1	25	
679	Selai ...	274	29	...	2000	2303	2383	26	26	1	10	
767	Tiruppachur ...	648	...	...	4000	4648	5005	88	88	...	...	
793	Kannur ...	57	...	...	1000	1057	1050	...	...	...	...	—0-14-6 Loss.
810	Pennalurpett ...	542	834	...	4000	5376	5463	40	40	...	...	
811	Gunipalaiyam ...	106	...	...	2200	2306	2300	12	12	...	...	
892	Egattur ...	235	...	...	2000	2235	2250	30	30	...	...	
942	Shrotriem Ariyapakkam Saidapet Taluk.	43	...	...	...	43	39	—2	...	...	...	Loss.
11	Nemmili* ...	139	344	450	800	1733	893	73	626	...	...	
95	Velarpuram ...	395	30	...	4100	4525	17	155	561	37	4230	
135	Ayakalattur ...	101	...	...	1600	1701	...	53	104	22	853	
139	Gunduperumbedu ...	180	...	...	2000	2180	2939	47	152	...	...	
140	Malaipattu ...	238	5	...	2300	2543	25	109	269	45	2335	
149	Manimangalam ...	758	...	...	11400	12158	7186	324	752	57	3672	
252	Tambaram ...	46	...	...	1000	1046	25	40	72	28	991	
436	Adanur ...	267	61	4	4500	4832	1680	100	155	5	326	
437	Somangalam ...	231	68	...	4550	4849	3513	71	106	...	...	
438	Karisangal ...	152	1	...	2800	2953	736	62	87	4	128	
475	Villivakkam ...	206	264	743	2500	3713	1390	73	130	...	...	
483	Paruttippattu ...	310	...	2000	3000	5310	2436	109	217	1	25	
485	Porur ...	203	250	...	3500	3953	3466	93	116	...	...	
525	Sriperumbudur ...	364	...	500	3500	4364	2113	110	145	9	300	
526	Pondur ...	215	9	...	4700	4924	2659	99	131	...	...	

* Includes Rs. 240 loan from Government

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
543	*Amarambedu* ...	98	...	...	2500	2598	2467	44	44	...	...	
544	Madambakkam	145	...	...	3000	3145	1285	63	79	...	...	
568	Alattur ...	103	163	...	1500	1766	1263	28	31	1	15	
632	Tirumeshi ...	409	5	...	5000	5414	5465	99	99	6	141	
710	P. Madambakkam ...	338	5	...	4500	4843	5125	24	24	4	85	
711	Ayanambakkam ...	302	69	...	3500	3871	3860	36	36	...	...	
761	Kodangaiyur ...	786	573	...	6000	7359	7378	116	116	...	...	
840	Kattarambakkam	132	...	...	4000	4132	4210	13	13	...	...	
841	Sirukalattur Kavanur...	103	...	...	5000	5103	5100	13	13	...	...	
842	Saidapet *Kunnattur*	236	...	...	9000	9236	9250	66	66	...	...	
848	Nemam	66	...	...	2200	2266	2295	—9	...	...	...	Loss.
852	Kolappanjeri ...	129	...	...	1000	1129	1245	18	18	...	...	
893	Perumalagaram	190	...	...	3500	3690	3900	12	12	...	...	
894	Konnur ...	270	135	20	3000	3425	3450	30	30	...	...	
921	Sennikuppam ...	212	...	...	...	212	240	37	37	...	...	
952	Poonamallee ...	256	...	10	...	266	250	19	19	...	...	
	Ponneri Taluk.											
373	Gummidipundi	345	123	...	6800	7268	6728	156	275	...	...	
591	Sunnambukulam	369	252	137	7400	8158	8665	92	147	...	...	
604	Ponneri	434	...	...	2000	2434	3059	101	101	43	919	
625	Chennambedu	211	...	...	5000	5411	5325	75	75	...	...	
667	*Egivarpalayam*	135	...	200	2500	2635	2840	43	43	...	...	
670	Peddikuppam	190	250	...	4000	4440	4416	52	52	...	...	
694	Vazhudalambedu	140	105	...	2500	2745	2762	37	37	...	...	
794	Arukkutturai	130	...	...	2800	2930	2945	21	21	...	...	
826	Arasur ...	48	...	...	...	48	48	1	1	1	10	
	Malabar District Palghat Taluk.											
372	Kannambra ...	626	15	4825	...	5466	5705	148	302	67	2590	
773	Koduvayur ...	230	...	...	...	230	200	39	39	...	...	
	Ponnani Taluk.											
784	Valancheri ...	200	1108	3	...	1311	1326	14	14	...	...	
	Walluvanad Taluk.											
785	Perumudiyur Karshaka Chintamani ...	68	66	1	...	135	125	—9	...	...	...	Loss.
937	Mankada ...	23	...	...	...	23	...	—4	...	...	...	Loss.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	South Canara District.											
	Uppinangadi Taluk.											
181	Puttur ...	335	1650	7534	...	9519	15258	177	434	...	...	
	Mangalore Taluk.											
963	Suratkal ...	13	19	...	...	32	25	—7	...	...	...	Loss.
964	Manjeshwar ...	106	...	...	4000	4106	3945	26	26	...	...	
	Udipi Taluk.											
958	Udipi ...	45	...	...	...	45	...	2	2	...	...	
959	Coondapur ...	39	...	...	...	39	...	...	...	...	...	
961	Kalyampur Nilgiris ...	49	...	...	...	49	51	4	4	...	...	
962	Udayavar St. Francis Xavier C. C. S. ...	26	...	...	...	26	...	—3	...	...	...	Loss.
	Coondapur Taluk.											
960	Baindur ...	14	...	...	...	14	...	—6	...	...	...	Loss.
	Nilgiri District.											
	Coonoor Taluk.											
673	The Kerhada Rice C. S.	312	...	...	2600	2912	3053	55	55	...	...	
	Ooty Taluk.											
707	Anikorai ...	346	...	...	3000	3346	3415	80	80	...	...	
745	Kuruttukkuli ...	15	...	...	...	15	...	—7	...	...	...	Loss.
746	Shotur ...	211	...	...	3300	3511	3550	59	59	...	...	

BEZWADA SECTION.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Vizagapatam District.											
	Survasiddhi Taluk.											
101	Kuruppam ...	...	50	...	1600	1650	560	81	187	16	1138	
944	Gopalapatnam ...	46	...	...	...	46	40	1	1	...	...	
945	Sriramapuram ...	46	...	...	...	46	40	...	...	...	...	Loss 0-7-10.
946	Vuddandapuram ...	71	...	...	...	71	74	8	8	...	...	
947	Pentakota ...	83	...	...	...	83	85	9	9	...	...	
948	Yellamanchili ...	13	...	...	...	13	...	—9	...	...	...	Loss 9-2-0.
	Parvatipuram Taluk.											
102	Mangavaram ...	190	100	...	2700	2990	1469	72	187	...	...	
	Godavari District.											
	Rajahmundry Taluk.											
65	Kadiyam ...	375	10	...	3300	3685	1600	96	392	8	950	
	Tuni Taluk.											
245	Kamsavaram ...	503	...	...	4500	5003	1839	125	310	2	53	
246	Vontimamidi ...	411	120	...	4500	5031	1770	113	246	...	...	
	CASH UNLIMITED.											
	Amalapuram Taluk.											
86	Devaguptam ...	...	182	...	4700	4882	2520	75	255	1	25	
87	Komaragiripatnam ...	530	246	5200	3600	9576	5113	251	694	24	2111	
866	Kottalanka ...	176	...	...	...	176	130	10	10	...	...	
	Rajolu Taluk.											
728	Peravaram ...	126	...	...	...	126	110	5	5	...	...	
730	Pomiyamanda ...	78	...	...	1600	1678	1663	—10	...	...	...	Loss 10-7-3.
731	Edanadu ...	180	...	...	1800	1980	1870	3	3	...	...	
950	Sankaraguptam ...	34	...	...	...	34	20	—5	...	...	...	Loss 4-11-2.
	Peddapuram Taluk.											
729	Peddapuram ...	122	4	24	3500	3650	4338	7	7	...	...	
	Ramachandrapuram Taluk.											
949	Anaparti ...	118	...	...	...	118	125	17	17	...	...	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Kistna District. Gudivada Taluk.											
83	Cowthavaram ...	542	...	...	2400	2942	1500	89	291	5	226	
666	Vennanapudi ...	258	...	...	4500	4758	4825	29	29	...	...	
704	Peddavirivada ...	150	...	...	1500	1650	1675	33	33	...	...	
714	Kudaravalli ...	169	144	...	1600	1913	1792	37	37	...	...	
715	Kammalamudi ...	244	148	...	3000	3392	3235	66	66	...	...	
732	Penjendra ...	519	...	...	9500	10019	10040	51	51	...	...	
743	Vemanda ...	653	...	...	10000	10653	11200	60	60	...	...	
865	Golivepalli ...	218	...	...	...	218	220	11	11	...	...	
875	Valivarthipadu ...	124	...	...	...	124	130	13	13	...	...	
876	Appikatla ...	1035	...	...	...	1035	...	139	...	...	...	
903	Tativarru ...	22	...	...	...	22	1150	—7	...	...	...	Loss 6-12-0.
912	Tummalapalli ...	221	...	...	...	221	260	45	45	...	...	
	Kaikalur Taluk.						4830	195	875	3	880	
84	Venkatapuram ...	414	144	70	5600	6228	50	40	127	...	...	
85	Chavilipadu * ...	171	8	45	1640	1864	7245	385	944	...	...	
161	Pallevada ...	804	690	...	15000	16494	5368	87	90	1	200	
575	Sitamapalli ...	270	94	...	4550	4914	383	27	27	...	...	
576	Alapad ...	132	...	...	2000	2132						
577	Kaikalur Narasiahpalaiyam ...	626	403	...	10000	11029	7285	280	317	6	348	
579	Sanna Rudravaram ...	172	18	...	2800	2990	2547	65	66	3	176	
578	Achavaram ...	320	30	...	5000	5350	5816	68	73	...	...	
580	Potumarru ...	228	...	...	4000	4228	2628	80	80	24	1895	
581	Kallepalem ...	642	1746	140	7000	9528	6466	236	261	43	4598	
582	Kalidindi ...	488	13	20	5000	5521	5808	78	98	24	630	
689	Sankarapadu ...	478	460	...	5000	5938	6140	43	45	...	...	
698	Immanivanigudam ...	111	90	...	1400	1601	1605	14	14	...	...	
836	Vinjaram ...	129	...	...	...	129	125	3	3	...	...	
867	Takkellapadu ...	266	...	...	...	266	280	25	25	...	...	
868	Prattipadu ...	199	...	...	...	199	230	35	35	...	...	
869	Ayyavarivadravaram ...	149	...	...	...	149	160	26	26	...	...	
870	Vemavarappadu ...	171	...	...	...	171	205	10	10	...	...	
871	Tamarakollu ...	71	...	...	...	71	62	—9	...	...	...	Loss 8-10-9.

* Only Government loan of Rs. 45/-.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Bandar Taluk.											
70	Vadlamannadu ...	570	6	...	5500	4076	2971	118	551	18	908	
	Divi Taluk.											
56	Nagayalanka * ...	916	2155	1800	8300	13171	7842	381	1683	9	1350	
351	Avanigadda ...	964	792	...	6700	8456	6221	196	458	53	3674	
	Guntur District.											
	Narasaraopet Taluk.											
182	Vayadana ...	211	...	...	3200	3411	1790	35	104	1	19	
	Tenali Taluk.											
39	Tummapudi † ...	462	1400	1600	...	3462	825	161	1497	11	1980	
367	Duggirala ...	286	...	10	3800	4096	1320	84	148	...	...	
368	Kolakkalur ...	206	...	...	2300	2506	2150	137	234	3	318	
369	Mopparru ...	45	...	...	300	345	371	9	9	...	...	
392	Gudivada ...	283	...	...	4000	4283	4114	111	129	...	...	
393	Chinnagadilavarru ...	219	...	...	1600	1819	2920	42	48	...	...	
668	Peddapudi ...	54	...	...	500	554	550	3	3	...	...	
669	Zampani ...	331	...	...	5000	5331	5400	74	74	...	...	
680	Kathevaram ...	186	...	...	4000	4186	4520	55	55	...	...	
697	Tsundur ...	360	...	100	6240	6700	6680	39	39	...	...	
	Repalli Taluk.											
23	Surepalli ‡ ...	...	...	1600	2000	3600	2860	145	1154	2	255	
629	Chandola ...	676	...	...	7500	8176	8407	216	216	...	...	
742	Singupalem ...	622	...	...	7000	7622	7673	80	80	...	...	
858	Sirupudi ...	28	...	...	...	28	20	—7	...	...	...	Loss 7-7-8.
859	Repalli Nalluru ...	16	...	...	...	16	...	—11	...	...	...	Loss 10-12-0.
860	Voleru ...	25	...	...	...	25	...	—9	...	...	...	Loss 8-8-0.
861	Nadumpalli ...	177	...	...	3500	3677	3729	28	28	...	...	
	Anantapur District.											
	Anantapur Taluk.											
899	Kodime ...	153	146	...	3000	3299	3230	26	26	...	...	
	Kalyandrug Taluk.											
136	Beluguppa ...	...	...	...	2100	2100	985	26	282	...	...	
177	Kalyandrug ...	...	219	5024	8050	13293	4193	225	792	18	1692	

* Includes Rs. 1800 loan from Government.

† " " 1600 " "

‡ " " 1600 " "

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
201	Narasapuram	...	422	1597	3900	5919	4940	133	383	...	...	
204	Mudigallu	...	...	...	2300	2300	240	49	235	1	10	
205	Srirangapuram	10	...	...	3000	3010	355	53	278	18	2162	
211	Kannepalli	60	...	...	2200	2260	525	50	201	...	...	
217	Basapuram	...	...	...	2700	2700	185	35	168	10	985	Loss 10-6-5.
218	Budigimma	...	...	...	300	300	80	—10	101	2	224	
219	Malayanur	180	...	...	4600	4780	815	81	269	11	469	
223	Kurakulapalli	...	...	...	2400	2400	922	32	100	9	618	
224	Palluru	14	...	...	4560	4541	1002	51	227	13	523	
227	Mulakanuru	...	...	...	2200	2200	345	18	162	28	1239	
231	Timmapuram	...	...	...	2500	2500	466	39	173	...	...	
282	West Kodihalli	...	...	...	1600	1600	390	22	144	17	862	
283	Bhairavanitippa	505	...	...	1300	1805	200	35	248	7	467	
293	Yenumaladoddi	13	...	...	1800	1813	314	12	87	2	45	
294	Kariganipalli	...	...	...	1700	1700	270	26	89	4	282	
295	Yattakallu	...	...	...	2700	2700	1011	58	213	10	669	
296	Santakondapuram	8	...	...	2900	2908	438	59	200	16	1309	
297	Pillalapalli	...	...	...	2000	2000	575	49	139	...	...	
298	Ralla Anantapur	13	...	...	1600	1613	360	23	116	1	25	
299	Chinnampalli	...	...	...	2000	2000	100	26	94	3	285	
300	Mulakaledu	50	...	...	2700	2750	690	53	210	1	5	
301	Chintarlapalli	5	...	...	1000	1005	100	13	46	...	...	
302	Setturu	...	...	...	2400	2400	115	32	166	1	4	
303	Nuthimadugu	...	...	...	3000	3000	...	48	167	27	2900	
304	Timmasamudram	...	...	...	2000	2000	575	33	169	3	175	
305	Lakshmampalli	...	...	...	2700	2700	705	80	242	7	547	
306	Gangavaram	...	...	600	800	1400	275	24	144	6	680	
307	Duddekunta	...	...	...	600	600	...	8	99	9	600	
308	Golla	...	...	...	450	450	...	7	64	...	...	
309	Errakondapuram	20	...	...	800	820	192	16	79	5	110	
310	Bhairasamudram	...	...	...	2000	2000	~~515~~	~~39~~	~~187~~	...	...	
~~321~~	Kundurpi	~~54~~	...	...	3800	3854	1173	70	206	...	...	
322	Bestrapalli	40	...	...	1000	1040	...	14	59	...	...	
323	Muddinayinipalli	22	...	...	1080	1102	130	21	69	...	...	
324	Manirevu	...	...	...	1700	1700	340	34	107	4	436	
~~346~~	Varli	2	3		1600	1605	907	33	119	1	20	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
347	Chapiri ...	...	...	...	3200	3200	715	64	191	...	...	
348	Kambaduru ...	...	30	...	3500	3530	160	54	309	18	1279	
355	Karthanaparthi ...	...	3	...	1900	1903	20	23	114	27	1375	
357	Apalapalli ...	...	106	...	2000	2106	602	46	116	7	385	
358	Garudapuram ...	...	...	...	1800	1800	1185	32	69	...	...	
359	Palvoi ...	...	5	...	3100	3105	1245	37	199	17	958	
361	Kalavapalli ...	...	...	...	800	800	230	13	46	...	...	
362	Jambugumpula ...	...	...	...	1900	1900	295	22	102	22	922	
363	Siripi ...	...	...	...	5800	5800	1375	86	252	44	3368	
364	Eradikera ...	...	...	...	2400	2400	269	28	124	11	950	
365	Ankampalli ...	...	...	...	2315	2315	...	33	174	26	2349	
366	Titakallu ...	...	...	...	1800	1800	100	28	89	...	...	
376	Erragudi ...	..	61	...	2000	2061	432	36	139	...	...	
377	Nizavalli ...	...	...	...	1550	1550	274	23	77	7	876	
379	East Kodihalli ..	...	12	...	3000	3012	1475	71	126	5	525	
662	Khairavu ...	...	...	...	1600	1600	1600	9	9	...	...	
663	Cherlopalli ...	...	...	...	1200	1200	1194	—2	...	...	...	Loss 1-12-8.
	Gooty Taluk.											
54	Vajrakarur* ...	...	1904	1600	...	3504	380	177	1170	54	2000	
55	Guntakal† ...	...	2526	1600	...	4126	730	166	1260	58	2601	
57	Timmencherla‡ ...	2130	...	1600	...	3730	1126	318	1752	3	550	
60	Uravakonda ...	...	...	...	4030	4030	...	15	526	15	1614	
88	Njmbagallu ...	...	...	...	3000	3000	580	50	199	15	993	
137	Pamidi ...	...	100	...	3290	3390	200	42	247	28	2177	
	Dharmavaram Taluk.											
47	Dharmavaram¶ ...	579	1447	3290	1000	6316	3673	146	1176	13	950	
911	Apparascheruvu ...	31	...	...	...	31	20	—7	...	...	...	Loss 7-2-6.
	Penukonda Taluk.											
14	Bukkapatnam§ ...	...	792	1855	4700	7347	4520	199	1133	1	250	
32	Kottakota$ ...	...	74	640	950	1664	1075	28	510	3	56	

* Includes Rs. 1600 loan from Government.
† „ „ 1600 „ „
‡ „ „ 1600 „ „
¶ „ „ 840 „ „
§ „ „ 595 „ „
$ „ „ 480 „ „

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
202	Ramapuram ...	263	60	...	3600	3923	1586	134	295	19	1338	
230	Roddam ...	487	425	707	4200	5819	1513	160	471	9	744	
241	Talamarla ...	219	...	...	2400	2619	1434	273	417	6	677	
242	Kottacheruvu ...	423	...	1600	6300	8323	1100	171	605	17	1557	
243	Somandepalli ...	304	280	...	7200	7784	2251	151	449	2	170	
244	Gutturu ...	306	...	...	6500	6806	3327	168	427	3	391	
250	Chinnamanathuru ...	77	5	...	900	982	451	41	74	10	467	
251	Nalluru ...	101	18	...	2300	2419	775	34	91	1	100	
258	Cherukuru ...	120	...	...	1350	1470	540	42	79	14	310	
259	Brahmasamudram ...	90	...	...	2400	2490	1462	51	111	4	77	
260	Cholimarri ...	178	46	...	2300	2524	665	62	163	6	422	
261	Bucherla ...	171	12	...	3800	3983	488	72	164	38	2998	
274	Reddipalli ...	96	20	...	1600	1716	1110	34	82	...	...	
275	Nagalur ...	159	117	...	4500	4776	900	247	344	62	3624	
276	Doddaghatta ...	79	...	...	1400	1479	318	38	79	6	302	
277	Mavathuru ...	222	77	...	3300	3599	924	77	200	22	1140	
278	Turakalapatnam ...	187	4	...	3400	3591	60	212	352	30	2438	
279	Zulugunta ...	188	86	...	2800	3074	1866	60	173	15	709	
280	Sanipalli ...	105	144	...	1800	2049	880	48	121	...	...	
286	Mandli ...	172	14	...	2600	2786	1863	56	168	4	73	
287	Peddamanuturu ...	142	14	...	2200	2356	840	35	98	16	748	
288	Kalipi ...	330	141	...	3600	4071	2405	104	276	9	758	
394	Pandiparti ...	134	64	...	4800	4998	1708	79	139	...	...	
399	Chalakuru ...	164	256	...	5000	5420	1876	90	187	2	30	
400	Mudakalacheru ...	180	306	...	4625	5111	370	60	143	...	...	
401	Kanamara ...	166	...	...	3900	4066	64	76	109	9	860	
419	Penukonda Bhaipuram.	30	10	...	1300	1340	987	13	43	...	...	
424	Settipalli ...	82	...	...	3000	3082	1100	43	65	...	...	
425	Jagarazupalli ...	19	15	...	400	434	...	...	...	...	...	
428	Kodapaganipalli ...	37	10	...	1600	1647	150	23	30	...	...	
429	Kanisettipalli ...	44	...	...	1800	1844	1174	31	31	...	...	
430	Mailasamudram ...	105	...	...	3000	3105	856	—21	111	...	...	Loss 20-11-5
431	Kogira ...	173	20	...	4000	4193	270	93	158	10	1110	
432	Kesapuram ...	55	15	...	2000	2070	150	37	89	...	...	
446	Venkatareddipalli ...	138	39	850	3300	4327	885	87	148	...	...	
470	Penukonda Kotapalli...	111	29	...	3000	3140	210	45	81	1	50	

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		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Madakasira Taluk.											
74	Yarrabommanahalli ...	435	25	525	3600	4585	2023	104	365	9	363	
90	Karesamudram ...	528	...	...	3350	3878	2861	76	396	5	123	
808	Madakasira ...	128	...	...	2000	2128	2125	18	18	...	...	
	Hindupur Taluk.											
490	Hindupur Kalluru ...	400	9	200	6900	7509	1986	159	238	2	525	
491	Hindupur Kodihalli ...	182	352	...	5800	6334	4801	119	158	...	...	
492	Cholasamudram ...	181	258	...	6800	7239	5570	134	167	...	...	
493	Maidugolem ...	126	89	...	5000	5215	2740	56	99	3	430	
495	Lapakohi ...	227	191	...	6000	6418	1973	136	187	...	...	
496	Manepalli ...	161	...	...	5000	5161	1445	93	145	6	740	
497	Srikantapuram ...	186	238	...	5000	5424	3887	78	120	...	...	
498	Sirivaram ...	120	85	...	3500	3705	1645	60	89	...	...	
499	Kanchisamudram ...	115	6	...	3200	3321	1404	80	101	...	...	
500	Choutikundlapalli ...	53	...	...	1780	1833	565	25	32	...	...	
502	Hindupur ...	516	337	...	9800	10653	5837	128	298	15	1630	
503	Nimakampalli ...	101	6	...	2500	2607	693	60	94	...	...	
504	Parigi ...	213	...	...	7000	7213	4582	132	166	1	100	
507	Paideto ...	72	...	...	2500	2572	399	54	70	16	1395	
508	Sirekolam ...	102	7	...	3500	3609	1640	56	77	...	...	
509	Narasapuram ...	115	...	...	3000	3115	829	70	94	8	1250	
511	Vittapalli ...	80	...	...	2500	2580	460	44	67	...	...	
512	Sigepalli ...	102	...	...	3600	3702	715	70	90	...	...	
513	Manasamudram ...	63	...	...	1500	1563	364	20	31	1	50	
514	Mulugur ...	128	64	...	3500	3692	1230	80	82	...	...	
515	Utukuru ...	243	...	...	8000	8243	1920	191	235	7	1650	
791	Kirikera ...	147	...	...	2000	2147	2154	23	23	...	...	
820	Chouluru ...	95	118	...	2500	2713	2726	—10	...	...	...	Loss 10-1-11
	Kadiri Taluk.											
606	Kadiripatnam ...	71	...	...	2900	2971	3351	37	37	13	558	
607	Charupalli ...	17	...	...	200	217	200	—5	...	...	...	Loss 5-5-0
608	Kadiri Brahmanapalli...	31	...	...	1500	1531	1500	16	16	...	...	
611	Garidapuram ...	42	...	...	2000	2042	1995	3	3	...	...	
612	Kutagulla ...	29	...	...	1300	1329	1300	16	16	...	...	
617	Kavalipalli ...	16	...	...	800	816	800	—3	...	...	...	Loss 2-11-6
618	Kadiri ...	300	...	...	4500	4800	4915	116	116	...	...	
620	Tanakallu ...	125	...	...	2500	2625	2650	72	72	...	...	

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		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
635	Chikatimanipalli ...	88	...	...	1500	1588	1575	15	15	...	...	
643	Somayajulupalli ...	15	...	...	500	515	500	—7	...	...	...	Loss 6-9-4.
644	Mulakaronanla ...	78	...	...	3300	3378	3380	29	29	...	...	
645	Gandlapenta ...	13	...	...	400	413	395	—8	...	...	...	Loss 8-0-0
647	Reddipalli ...	90	5	...	2000	2095	2101	7	7	...	...	
648	Nallamada ...	115	...	...	5000	5115	5045	39	39	...	...	
649	Venkarakunta ...	34	...	...	1000	1034	1020	1	1	...	...	
650	Veparala ...	10	25	...	300	335	325	—8	...	...	...	Loss 7-8-2.
818	Ganjapalli ...	53	...	...	1500	1553	1500	—4	...	...	...	Loss 3-14-10.
819	Mudigubba ...	39	...	...	1500	1539	1520	—11	...	...	...	Loss 11-6-1.
837	Bontalapalli ...	89	...	...	3000	3089	3070	12	115	...	...	
	Bellary District.											
	Huvinahadagali Taluk.											
36	Huvinahadagali ...	...	31	...	5300	5331	2608	141	509	10	1225	
66	Magalam ...	658	...	...	6500	7158	1691	72	658	35	2954	
67	Hirahadagali ...	1228	...	...	11300	12528	6092	319	1380	49	5656	
	Cuddapah District.											
	Rayachoti Taluk.											
708	Brahmana Yerragudi...	167	...	...	4000	4167	4173	45	45	...	...	
716	Royachoti ...	456	1004	...	3000	4460	4622	130	130	...	...	
739	Peddivedu ...	15	...	...	800	815	725	—14	...	...	...	Loss 14-7-3.
740	Hasanapuram ...	50	...	...	1700	1750	1770	6	6	...	...	
741	Chitturu ...	65	...	...	2700	2765	2700	12	12	...	...	
766	Mudumpadu ...	54	...	...	2500	2554	2540	...	...	...	...	Loss 0-4-7
772	Vangunallu ...	120	...	...	4500	4620	4569	25	25	...	...	
774	Gorlamudivedu ...	91	...	...	2500	2591	2580	15	15	...	...	
776	Tsundapalli ...	71	...	...	2500	2571	2560	7	7	...	...	
786	Rayavaram ...	39	...	...	1500	1539	1400	—9	...	...	...	Loss 8-12-2.
787	Peddinenikalva ...	16	...	...	800	816	700	—16	...	...	...	Loss 16-6-7.
802	Reddivarepalli ...	24	...	...	...	24	...	—8	...	...	...	Loss 8-6-0.
803	Timmasamudram ...	36	...	...	...	36	20	—5	...	...	...	Loss 4-14-6.
	Pulivendla Taluk.											
709	Surabu ...	117	100	...	...	217	200	11	11	...	...	
872	Kamasamudram ...	21	...	...	...	21	...	—11	...	...	...	Loss 11-6-4.
873	Bidinamcherla ...	16	...	...	...	16	...	—11	...	...	...	Loss 10-12-4.
874	Somada ...	12	...	...	...	12	...	—10	...	...	...	Loss 10-1-10.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
901	Yeddalayyagari Kottapalli ...	21	...	...	...	21	...	—10	...	...	...	Loss 9-12-4.
902	Simhadripuram ...	30	...	...	...	30	...	—8	...	...	...	Loss 7-12-10.
923	Chilekampalli ...	16	...	...	...	16	...	—9	...	...	...	Loss 9-5-10.
	Kurnool District. Kurnool Taluk.											
821	Polukallu ...	...	...	...	...	...	...	...	...	...	...	
822	Guduru ...	199	...	...	...	199	30	31	31	...	...	
827	Julakallu ...	27	...	...	...	27	...	—7	...	...	...	Loss 7-3-7.
844	Beligal ...	...	...	...	...	...	...	...	...	...	...	
	Pattikonda Taluk.											
53	Pyapali * ...	810	...	880	3400	5090	355	204	725	41	2980	
	Dhone Taluk											
459	Udumalapadu ...	53	...	...	1600	1653	...	24	38	...	...	
469	Ungarlakonda ...	32	...	...	...	32	...	3	8	...	...	
478	Veladurti ...	163	...	...	5000	5163	720	67	144	5	600	
479	Cherukulapadu ...	100	35	...	3000	3135	970	72	111	...	...	
494	Lanjabanda ...	20	...	...	1000	1020	...	8	8	...	...	
505	Kothaburuzhu ...	33	...	...	1000	1033	185	6	6	3	175	
506	Sudapalle ...	43	...	...	1600	1643	...	23	23	...	...	
516	Kalachetta ...	63	...	...	2500	2563	302	32	32	8	508	
517	Tsanugondla ...	56	...	...	1800	1856	250	31	34	6	675	
522	Krishnagiri ...	30	...	...	600	630	...	2	2	...	...	
523	Kambalapadu ...	26	...	...	950	976	...	5	5	...	...	
536	Mettupalli ...	15	...	...	400	415	...	—3	...	...	...	Loss 3-2-0.
572	Pedda Podilla ...	128	...	...	4000	4128	1110	70	89	1	50	
573	Vengalampalli ...	20	...	...	500	520	...	—2	...	...	...	Loss 2-3-0
804	Jaladurgam ...	34	...	...	...	34	...	—5	...	...	...	Loss 5-7-7.

* Includes Rs. 440 loan from Government.

TRICHINOPOLY SECTION.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	C. RURAL SOCIETIES.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	South Arcot District.											
	Jingi Taluk.											
48	Melamalayanur ...	651	500	*240	{ 1100 †1000	3491	1705	95	844	3	187	
	Tindivanam Taluk.											
255	Vellimedu ...	610	290	...	9000	9900	3040	186	392	...	...	
354	Marakkanam ...	705	47	...	8300	9052	2660	149	278	8	1038	
717	Olakkur ...	678	...	...	10000	10678	10847	122	122	...	...	
	Kallakurichi Taluk.											
71	Mudianur ...	1655	...	500	6600	8755	3888	323	1179	...	...	
148	Kallakurichi ...	1212	324	174	9300	11010	6290	297	877	7	913	
150	Sankarapuram ...	592	...	...	7900	8492	1086	180	582	...	...	
170	Sulankurichi ...	545	...	...	5500	6045	5720	134	335	1	44	
284	Palaya Siruvangur ...	542	...	...	5500	6042	2362	173	390	...	...	
318	Pudupattu ...	560	...	...	5600	6160	2571	137	309	...	...	
345	Nilamangalam ...	448	...	...	6150	6598	791	91	336	...	...	
382	Kottalam ...	97	...	...	3400	3497	1050	91	113	1	100	
383	Vilambar ...	130	...	...	4600	4730	1980	64	109	...	...	
384	Mokur ...	245	...	...	8000	8245	5540	116	146	2	100	
385	Ariaperumanur ...	95	...	...	1600	1695	1235	47	70	27	1493	
387	Asakalathur ...	196	...	...	3800	3996	250	87	129	25	3600	
388	Varanjaram ...	212	...	...	3500	3712	1195	73	117	3	120	
389	Vadakanendal ...	173	...	...	5000	5173	1420	102	183	2	450	
395	Manjaputhur ...	231	...	...	9700	9931	5450	217	282	2	130	
396	Agrahara Pandalam ...	208	...	...	5800	6008	750	110	216	...	...	
397	Viriyur ...	164	...	...	4950	5114	2600	83	153	1	12	
398	Kallakurichi Kalathur.	134	...	...	3800	3934	995	106	133	...	...	
404	Kudiraichandal ...	133	...	...	4000	4133	2475	50	35	...	...	
487	Tyagadurkam ...	646	...	...	6000	6646	7010	77	115	...	...	
518	Siruvathur ...	142	58	13	1800	2013	2004	45	34	...	...	
519	Iriyur ...	262	...	...	5600	5862	3315	88	88	12	2025	
520	Kongaroyapalayam ...	356	...	...	5000	5356	2825	128	162	1	50	
521	Chinna Salem ...	358	...	...	7500	7858	3200	41	57	21	3550	
524	Kanankur ...	66	...	...	1000	1066	200	23	13	3	740	

* Rs. 240 Loan from Hamilton's Fund.

† Rs. 1000 Loan from Government.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
528	Sembarapattu ...	235	...	...	8500	8735	4720	138	169	11	2017	
529	Kallakurichi Nagalu ...	378	500	...	6500	7378	4010	124	158	1	130	
537	Sirpanendal ...	161	...	...	6800	6961	3697	241	260	...	...	
547	Tyagarajapuram ...	129	...	...	5000	5129	2888	112	130	...	...	
571	Perumangalam ...	236	...	...	5000	5236	1775	118	142	...	...	
864	Kallakurichi Karunguli	79	...	...	3500	3579	3000	—13	...	...	...	Loss.
880	Odayanachi ...	172	...	...	6000	6172	6150	35	35	...	...	
885	Paramanatham ...	86	...	...	...	86	55	— 3	...	...	...	Loss.
905	Irudayampattu ...	122	...	...	...	122	100	17	17	...	...	
906	Brahmakundam ...	178	...	...	...	178	150	8	8	...	...	
907	Kadavanur ...	180	...	...	...	180	150	9	9	..	...	
	Cuddalur Taluk.											
718	Panikankuppam ...	227	...	...	10000	10227	13775	—35	...	...	...	Loss.
738	Kurayapet ...	500	...	...	5000	5500	5475	66	66	...	...	
	Chidambaram Taluk.											
722	Srimushnam ...	212	...	...	...	212	200	11	11	...	...	
	Tirukoilur Taluk.											
638	Panapadi ...	522	...	...	7000	7522	7900	81	81	...	...	
651	Aviyur ...	397	...	...	4500	4897	4910	20	20	...	...	
652	Meyyur ...	203	...	...	2400	2603	2560	16	16	...	...	
657	Tirukoilur Mudiyanur	78	...	...	1900	1978	1730	—6	...	...	...	Loss.
658	Nerkanam ...	269	...	...	4600	4869	4860	42	42	...	...	
781	Sirumadurai ...	198	...	...	3100	3298	3000	19	19	...	...	
783	Manampundi ...	136	...	...	3000	3136	3125	8	8	...	...	
	Coimbatore District Erode Taluk.											
72	Chennimalai ...	1130	33	992	2500	4655	4245	145	525	1	50	
73	Pudupalayam ...	1110	...	...	5000	6110	3276	143	850	35	2283	
184	Kambiliampatti ...	334	2600	...	2400	5334	1640	91	252	...	...	
185	Kaikolapalayam ...	626	...	...	5350	5976	2976	115	303	6	72	
186	Vaipadi ...	282	26	...	3600	3908	1200	47	170	...	...	
234	Perundurai ...	1070	330	1686	13600	16686	11919	694	947	3	131	
316	Viziamangalam ...	502	...	200	5950	6652	3872	106	221	...	...	
344	Sullipalayam ...	287	...	...	4500	4787	1230	83	265	...	...	
386	Palakkarai ...	239	...	...	4000	4239	1287	35	121	10	1000	
390	Mungilpalayam ...	401	30	...	5800	6231	4180	86	190	...	...	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
391	Sivapuram ...	222	40	...	3500	3762	2091	112	175	...	...	
402	Attananaipidariyur ...	616	7	7	4000	4630	3460	174	187	...	...	
409	Mettu Pudur ...	343	59	7	5000	5409	1991	109	185	...	...	
410	Pudur Pudupalayam ...	100	...	...	1500	1600	903	25	25	...	...	
411	Varapalayam ...	223	...	...	3500	3723	2133	61	81	1	38	
414	Viramandampalayam ...	254	10	70	3500	3834	1881	75	135	...	...	
415	Sirukalanji ...	61	...	...	1000	1061	700	9	15	2	100	
416	Kanjikoil ...	290	58	252	5000	5600	3995	95	152	...	...	
417	Vadamugam kangayam palayam ...	282	30	...	3500	3812	2375	58	109	...	...	
422	Dalavoipalayam ...	174	...	...	3000	3174	1175	77	97	...	...	
423	Tudupatti ...	125	44	47	2000	2216	1640	30	32	...	...	
488	Kamandapalayam ...	136	2	...	2000	2138	865	41	46	...	...	
501	Mukasipidariyur ...	756	20	...	5000	5776	4469	115	155	...	...	
665	Kunampatti ...	152	...	...	2500	2652	2650	18	18	...	...	
696	Nallakavandumpalayam	310	...	15	5000	5325	5350	58	58	...	...	
719	Nichampalayam ...	147	...	...	2000	2147	2200	15	15	...	...	
720	Kunnathur ...	476	...	...	4000	4476	4860	110	110	7	210	
723	Velleriveli ...	233	...	...	4000	4233	4340	29	29	...	...	
795	Namakalpalayam ...	329	...	...	4500	4829	4805	62	62	...	...	
838	Mudaliakavandanvalasu	98	...	...	1300	1398	1400	4	4	...	...	
908	Poraviakavandanvalasu.	176	...	...	3000	3176	3200	10	10	...	...	
	Dharapuram Taluk.											
264	Sivamalai ...	430	...	...	3000	3430	3045	84	147	12	1108	
317	Kangayam ...	640	16	...	3400	4056	2780	169	309	14	676	
	Paladam Taluk.											
546	Sulur ...	1482	55	10	9000	10547	9822	310	409	...	...	
671	Somanur ...	123	...	...	3000	3123	3100	14	14	1	100	
806	Manuarai ...	90	...	...	4000	4090	4090	—5	...	...	...	Loss.
815	Rasipalayam ...	150	...	...	2000	2150	2140	24	24	...	...	
816	Velampalayam ...	94	...	...	1000	1094	1125	9	9	...	...	
	Udumalpet Taluk.											
360	Karatholuvu ...	588	500	5817	...	6905	2610	199	389	6	208	
	Avanasi Taluk.											
757	Tholampalayam ...	239	...	...	3500	3739	3725	20	20	...	...	

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Trichinopoly District.											
	Udayarpalayam Taluk.											
68	Jeyankondasholapuram	2299	623	...	18600	21522	9946	518	1736	2	48	
93	Tirumalavadi ...	1465	...	...	6450	7915	3943	611	615	2	134	
198	Udayarpalayam ...	1122	167	...	6390	7679	4830	198	274	4	280	
199	Tattampatti Palur	322	...	20	1800	2142	688	55	92	1	9	
200	Minsuritti ...	1026	...	...	6500	7526	7845	174	314	...	...	
203	Kilakavatankurichi	478	50	...	3150	3678	50	111	311	...	...	
285	Kalleri ...	1908	...	...	11300	13208	8985	449	760	...	...	
531	Kodalikaruppur ...	226	304	...	6000	6530	4514	127	145	...	...	
538	Edanganni	96	...	...	3700	3796	1821	57	67	...	...	
548	Porpadanjanallur ...	209	...	...	7000	7209	4529	101	124	9	409	
549	Chintamani ...	88	...	...	2000	2088	570	52	42	...	...	
	Udayarpalayam Zemin											
550	Kodangudi ...	117	...	...	3700	3817	1580	73	92	...	...	
587	Anakudam ..	169	...	...	7000	7169	7825	123	123	...	...	
588	Nayagaraipiriyal ...	102	...	...	4000	4102	4430	32	32	...	...	
659	Kokkudi ...	206	...	...	9600	9806	9535	65	65	...	...	
	Perambalur Taluk.											
69	Perambalur ...	1142	66	22	4670	5900	5005	128	432	3	156	
660	Kallagam ...	149	...	...	5300	5449	5165	38	38	...	...	
	Musiri Taluk.											
179	Kolakkudi ...	292	...	...	3265	3557	929	74	222	2	100	
180	Appananalur ...	94	...	...	640	734	270	13	51	2	120	
183	Nagayanallur ...	562	22	...	8800	9384	8072	35	411	...	...	
195	Thottiam ...	212	...	...	1475	1687	300	53	152	1	100	
256	Alathudayampatti ...	57	...	...	654	661	...	5	5	3	600	
257	Karikali ...	252	...	5	7600	7857	8461	116	153	...	...	
265	Kalattur ...	138	...	...	2900	3038	3176	106	155	...	1213	
813	Neikulam ...	61	...	...	1000	1061	1025	—11	...	...	...	Loss.
814	Siruganur ...	63	...	...	600	663	900	—5	...	...	...	Loss.
	Trichinopoly Taluk.											
30	Lalgudi ...	3290	17902	4927	*1400	27519	13495	351	2850	2	150	
237	Samayapuram ...	168	...	...	4300	4468	750	126	176	3	365	

* Includes Rs. 1400 loan from Government.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
238	Irungalur ...	479	...	225	12020	12724	2805	199	470	...	...	
273	Valadi ...	406	2900	9124	4000	16430	13335	293	565	...	...	
683	Thoppai ...	136	...	...	5000	5136	5140	32	32	...	...	
828	Viragalur ...	312	...	...	7200	7512	7520	71	71	...	...	
	Kulitalai Taluk.											
194	Manavasi ...	327	...	...	10000	10327	10547	137	320	4	180	
196	Malayadipatti ...	212	27	320	5860	6419	3059	123	261	...	...	
197	Manaparai ...	253	...	...	4100	4353	250	94	230	21	9210	
213	K. Periapatti ...	114	...	...	3600	3714	785	64	131	1	200	
418	Kulitalai Zemin Pannapatti ...	130	...	...	5000	5130	2147	102	99	1	200	
600	Kumaravadi ...	110	...	...	3000	3110	3125	27	27	...	...	
602	K. Udayapatti ...	84	...	...	3500	3584	3585	26	26	...	...	
695	Mullipadi ...	105	...	...	3000	3105	3060	3	3	...	...	
	Namakal Taluk.											
20	Velur ...	5342	4387	21858	3650 •1400	36637	33245	189	2549	2	187	
207	Paramati ...	464	3	...	2100	2567	2495	91	225	2	147	
210	Vengarai ...	658	...	...	3350	4008	600	208	457	...	...	
216	Tuttikulam ...	632	1171	800	2200	4803	2840	132	341	...	...	
328	Kalappanaikanpatti ...	1094	2063	...	4400	7557	1100	238	623	...	...	
342	Sendamangalam ...	376	...	200	1900	9076	1275	44	140	1	100	
621	Oravandu ...	226	4	...	6000	6230	6410	49	49	...	...	
622	Mohanur ...	322	108	...	8000	8430	8495	54	...	...	...	
737	Pettaipalayam ...	145	...	...	3000	3145	3154	17	17	...	...	
796	Mettupalayam ...	67	...	...	1000	1067	1020	...	...	...	...	
797	Karugudi ...	116	...	...	2000	2116	2066	13	13	...	...	
863	Kumaripalayam ...	179	...	...	5000	5179	5093	30	30	...	...	
882	Thusur ...	119	...	...	2000	2119	2130	13	13	...	...	
	Karur Taluk.											
598	Vangal ...	444	50	...	15000	15494	16012	154	154	...	...	
656	Rajapuram ...	178	...	...	5000	5178	5551	40	40	...	...	
879	Nerur ...	114	...	...	2000	2114	1865	—1	...	...	...	Loss.
883	Panchamadevi ...	200	25	...	3000	3225	3255	17	17	...	...	

• Includes Rs. 1400 loan from Government.

Registered No.	District, Taluk and Name of Society.	Amount held on 30th June 1912.					Amount of loans disbursed to members or societies during 1911—1912.	Net profit 1911—1912.	Reserve Fund after audit 1911—1912.	Default.		Remarks.
		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Madura District.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Dindigal Taluk.											
221	Vedasandur ...	112	...	1500	1500	3112	2105	57	72	1	3	
222	Koilur ...	179	...	...	4900	5079	2070	98	143	2	35	
688	Kosavapatti ...	168	...	...	5000	5168	5240	28	28	...	...	
690	Panjampatti ...	290	...	...	5000	5290	5565	78	78	2	210	
691	R. Kombai ...	162	...	...	3500	3662	3665	20	20	...	...	
692	Reddiapatti ...	124	...	...	3000	3124	3099	14	14	...	...	
753	Kuttathupatti ...	109	...	...	3000	3109	3100	8	8	...	...	
	Periakulam Taluk											
145	Periakulam ...	2543	1544	7823	...	11910	5495	524	1270	7	1148	
	Tirumangalam Taluk.											
439	Velandur ...	134	...	3500	...	3634	50	86	141	...	...	
440	Sindupatti ...	175	...	...	5500	5675	3055	95	138	7	900	
441	Usilampatti ...	177	...	...	10000	10177	4069	170	265	4	228	
442	Kiripatti ...	243	...	...	5000	5243	2013	128	219	8	153	
447	Ariyapatti ...	117	...	4000	...	4117	95	108	163	...	...	
448	Vellamalaipatti ...	234	...	...	5000	5234	1269	97	178	4	81	
463	Veppanuthu ...	124	...	...	4500	4624	2589	67	104	...	...	
464	Kallapatti ...	141	...	...	4600	4741	1658	72	118	4	162	
465	Kattatampatti ...	163	...	...	4500	4663	1337	86	137	...	...	
466	Ayamettupatti ...	110	...	...	4000	4110	1210	43	64	16	962	
467	Pottampatti ...	152	...	...	4500	4652	2032	71	89	16	612	
551	Nattapatti ...	155	...	1500	3500	5155	4675	101	96	...	...	
552	Ayanakulam ...	161	...	4000	...	4161	930	107	113	1	50	
553	Muthiampatti ...	156	...	2500	2000	4656	2556	81	79	3	122	
554	Aiyampatti ...	132	...	4500	...	4632	1900	106	92	1	200	
555	Karakkatampatti ...	135	...	3000	2000	5135	1150	125	125	..	...	
556	Kuravakudi ...	112	...	3500	...	3612	2280	82	70	3	110	
557	Tirumangalam Pappapatti ...	232	...	4000	600	4832	1788	127	136	...	...	
558	Mekkilarpatti ...	112	...	3000	1500	4612	2337	59	59	3	80	
560	Perumapatti ...	136	...	5000	...	5136	2840	109	114	12	533	
561	Nallathenanpatti ...	138	...	4500	...	4638	2548	98	99	3	192	
562	Tirumangalam Malaipatti ...	202	...	3000	1500	4702	2477	89	120	10	396	
563	Nanarpatti ...	115	...	4000	...	4115	2235	79	72	...	...	
564	Vallayapatti ...	127	...	5000	...	5127	3165	96	97	3	150	

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		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
888	Kanavoipatti ...	86	...	...	...	86	85	6	6	...	...	
889	Ayodhipatti ...	55	...	...	2500	2555	2260	—19	...	...	...	Loss.
890	Vagoorani ...	111	...	...	4000	4111	3095	—15	...	...	...	Loss.
891	Kurivilampatti ...	122	...	...	4000	4122	4130	—1	...	...	...	Loss.
895	Kavandanpatti ...	252		...	4600	4852	4829	45	85	3	240	
896	Vilampatti ...	82		...	3000	3082	2865	—11	...	...	...	Loss.
909	Lingappanaikanur ...	162	...	...	...	162	80	29	29	...	...	
910	Villani ...	120	...	...	1100	1220	1211	2	2	3	303	
	Madura Taluk.											
81	Othakadai ...	1096	...	...	13000	14096	9530	261	868	17	2490	
763	Madakulam ...	132	...	...	2500	2632	2350	30	30	...	...	
862	Tirupuramkundram ...	148	...	...	2000	2148	2150	—4	...	...	...	Loss.
	Nilakkottai Taluk.											
755	Silukkuvarpatti ...	141	...	...	4500	4641	4661	18	18	...	...	
	Ramnad District.											
	Sattur Taluk.											
147	Vadamalaipuram ...	1041	227	128	8900	10296	12060	... 107	364	6	598	
292	Tiruthangal ...	304	25	...	4550	4879	2862	63	138	2	74	
412	Alamarathupatti ...	326	123	13	6400	6862	4657	128	154	29	1699	
413	Peddasettipatti ...	123	20	...	2000	2143	1770	39	43	6	435	
420	Sengamalaipatti ...	153	3	14	2700	2870	4584	46	41	...	...	
433	Vettilaiyurani ...	334	73	...	5000	5407	5761	11	17	1	25	
434	Ramalingapuram ...	197	...	...	4000	4197	2598	82	74	30	1393	
435	Mareneri ...	441	...	...	4500	4941	525	176	192	51	4258	
443	Mangalam ...	515	...	...	8000	8515	6474	95	130	19	781	
444	Kalayarkurichi ...	120	...	...	2500	2620	2430	30	31	2	100	
450	Melamathur ...	211	...	...	4700	4911	4015	90	87	11	500	
452	Vadapatti ...	201	...	...	4200	4401	3190	114	138	...	...	
458	Amathur ...	163	...	...	3500	3663	3457	61	62	13	779	
474	Melthoilupatti ...	264	...	...	3500	3764	4350	110	135	10	1767	
477	Tadangam ...	254	...	17	5000	5271	7539	95	97	3	105	
484	Vellayapuram ...	215	...	...	4600	4815	4455	105	117	...	...	
532	Kattasinnatupatti ...	127	20	...	2800	2947	2190	36	55	1	200	
533	Sukkiravarapatti ...	175	...	14	4000	4189	4170	66	77	1	100	
559	Peria vadiyur ...	138	...	...	3000	3108	1515	41	56	17	1510	
583	Kallavaniakampatti ...	156	10	...	2500	2666	2573	47	51	...	...	

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		Share capital.	Loans and deposits by members.	Loans and deposits by non-members.	Loans from other societies.	Total working capital.				No.	Amount.	
1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
584	Bhuvanathapuram ...	406	25	25	7000	7456	6843	110	128	6	325	
586	Sattur Anaikuttam ...	81	...	...	1500	1581	...	44	40	16	1420	
589	Salvarpatti ...	375	...	...	7500	7875	7485	116	148	3	140	
590	Subramaniapuram ...	321	...	...	7500	7821	7625	97	106	...	...	
614	Kolvarpatti ...	213	9	...	4600	4822	4825	4	4	...	...	
653	Avadayapuram ...	170	...	...	3500	3670	4075	—13	...	...	..	Loss.
654	Chinnayapuram ...	417	...	...	4820	5237	5230	10	10	2	100	
664	Injar ...	167	4	...	3000	3171	3175	30	30	1	25	
686	Mudalipatti ...	214	181	...	4000	4395	4450	40	40	...	...	
724	Appannanaikarpatti ...	68	...	...	1500	1568	1510	—14	...	...	...	Loss.
752	Kottur ...	160	...	...	3000	3160	3155	8	8	...	...	
824	Veppilaipatty ...	29	...	...	1000	1029	1010	—18	...	...	...	Loss.
825	Vottanattam ...	54	...	...	1300	1354	1320	21	...	...	...	
839	Sinnavadi ...	143	...	...	3000	3143	3135	—6	...	...	...	Loss.
943	Kumilangulam ...	131	1	...	...	132	50	14	14	...	...	
	Srivilliputtur Taluk.											
239	Ayiradharmam ...	80	2	...	1300	1382	140	15	46	...	...	
240	Vellaipottal ...	232	...	...	2800	3032	1903	44	81	21	697	
451	Tachakudi ...	184	...	...	3200	3384	2297	53	66	4	885	
674	Valayankulam ...	207	1	...	...	208	200	1	1	...	...	
	Sivaganga Taluk.											
733	Edaikather ...	202	1	103	7500	7806	8155	13	13	...	...	
734	Michalpatnam ...	56	1	...	1500	1557	1515	—29	...	...	...	Loss.
735	Manamadura ...	466	305	...	5000	5771	5950	125	125	1	210	
855	Periakottai ...	91	2	...	2000	2093	2075	—13	...	...	...	Loss.
856	Vembatur ...	41	4	...	1500	1545	1532	—21	...	...	...	Loss.
966	Rajagembiram ...	62	1	...	...	63	50	—5	...	...	...	Loss.
	Tiruphvanam Taluk.											
726	Sokkanadiruppu ...	75	...	...	1500	1575	1587	— 6	...	...	...	Loss.
	Mana Madura Taluk.											
726	Andukondan ...	174	174	...	4000	4348	4357	10	10	...	...	
736	Savariapatnam ...	188	...	...	3000	3188	3215	—9	...	...	...	Loss.
881	Salai Iluppakulam ...	228	148	...	4000	4376	4461	—8	...	...	...	Loss.
886	Panaikudi ...	133	68	...	2500	2701	2810	—4	...	...	...	Loss.
887	Ulakkudi ...	200	180	...	5000	5380	5390	—7	...	...	...	Loss.

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1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Paramakudi Taluk.											
727	Paramakudi Putur ...	199	1	...	1500	1700	1200	29	29	...	...	
	Tinnevelly District.											
	Koilpatty Taluk.											
6	Villattikulam ...	825	867	872	*2510	5074	1652	267	1256	3	207	
13	Nambipuram ...	1360	...	†210	150	1720	2200	128	901	13	392	
918	Tittankulam ...	46	...	...	...	46	...	—9	...	...	...	Loss.
	Tinnevelly Taluk.											
675	Gangaikondan ...	237	10	...	3000	3247	3625	—14	...	...	...	Loss.
	Srivaikuntam Taluk.											
678	Pudukottai ...	101	10	...	2400	2511	2385	—24	...	...	...	Loss.
	Tanjore District.											
	Tanjore Taluk.											
78	Titte ...	514	1795	2370	...	4679	3440	116	271	1	39	
829	Michalpatti ...	115	...	...	700	815	835	14	14	...	...	
830	Vanarangudi ...	177	100	...	3000	3277	3300	33	33	...	...	
831	Tirukkattupalli ...	295	110	1029	2000	8434	7905	75	75	...	...	
832	Sattanur ...	232	173	...	3300	3705	3600	40	40	...	...	
833	Marur ...	114	...	...	1500	1614	1634	13	13	...	...	
834	Tiruvadi Teachers' Society. ...	36	...	...	400	436	425	—7	...	...	...	Loss.
	Kumbakonam Taluk.											
82	Poondarikapuram ...	1401	2000	10155	...	13556	5020	318	1019	21	3148	
89	Anakudi ...	415	...	...	500	915	326	46	212	15	345	
408	Patteswaram ...	324	...	2500	2500	5324	3848	83	132	1	50	
599	Pandanellore ...	54	...	...	600	654	600	—8	...	...	...	Loss.
759	Tippirajapuram ...	204	...	630	...	834	1832	—5	...	...	...	Loss.
927	Koranattukaruppur ...	114	...	...	...	114	...	2	2	...	...	
968	Nachiarkoil ...	28	...	...	...	28	...	—9	...	...	...	Loss.
	Shiyali Taluk.											
79	Valluvakudi ...	129	...	...	2200	2329	3055	86	394	4	287	
	Nannilam Taluk.											
76	Sengalipuram ...	1635	2399	2000	...	6034	3340	200	680	5	410	

* Includes Rs. 510 loan from Government.

† Includes Rs. 210 loan from Hamilton's Fund.

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1	2	3	4	5	6	7	8	9	10	11	12	13
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	
	Mannargudi Taluk.											
7	Nidamangalam Agricultaral Bank ...	3472	1396	3155	2000	10023	13915	106	1992	1	240	
	Tiruturaipoondi Taluk.											
325	Panchanadikulam Nadusetti ...	263	...	...	4200	1463	300	99	251	...	...	
326	Vanduvanjeri ...	205	...	500	2500	3205	1140	67	150	...	...	
421	Marudur ...	368	...	1500	3900	5768	2820	156	254	1	180	
426	Pirandiankarai ...	180	...	...	2500	2680	1854	48	71	...	...	
489	Vyakarambalam ...	224	...	1300	2000	3524	1910	76	93	...	...	
	Puttukottai Taluk.											
31	Anaikadu ...	...	...	1200	4500	5700	3081	159	904	41	2585	
35	Rajamadam ...	...	...	...	2700	2700	503	40	27	29	1682	
480	Alattur ...	331	...	900	8500	9731	5066	99	133	4	810	
481	Palatteli ...	133	10	800	2000	2943	1560	67	85	2	330	
594	Mullurpattikadu ...	164	...	...	3500	3664	3889	50	50	...	...	
584	Muducheri ...	116	...	...	2000	2116	2110	19	19	...	...	
	Negapatam Taluk.											
684	Kilaiyur ...	477	...	100	1500	2077	2160	113	113	...	...	
930	Kunniyur ...	35	...	...	...	35	...	—5	...	...	...	Loss.
931	Vanjiyur ...	79	...	...	...	79	...	—4	...	...	...	Loss.
932	Tirupunadi ...	222	...	...	...	222	...	39	39	...	...	
933	Nalligudi ...	30	...	...	...	30	20	—6	...	...	...	Loss.
934	Mangudi ...	61	...	...	...	61	...	1	1	...	...	
	Papanasam Taluk.											
9	Milattur Agri, Bank ...	4614	1025	4000	1000 *690	11329	9798	184	2065	11	900	
349	Alangudi Mahana ...	566	137	2527	1540	4770	3226	89	152	3	75	
917	Perungudi ...	24	...	...	...	24	...	—1	...	...	...	Loss.
928	Virupatchipuram ...	23	...	...	...	23	...	—9	...	...	...	Loss.
929	Adichamangalam ...	16	...	...	...	16	...	—10	...	...	...	Loss.
941	Paparajapuram ...	17	...	...	...	17	...	—10	...	...	...	Loss.

* Includes Rs. 690 loan from Government.

The Madras Central Urban Bank, Limited.

Capital (Fully Paid)	(Two lakhs) Rs.	20,0,000
Reserve Fund	Rs.	42,000
Dividend Equalization Fund ...	Rs.	15,000
Building Fund	Rs.	6,000
Fixed Deposits	Over Rs. 19,00,000 (Nineteen lakhs.)	

Accounts annually audited by Government Officers and Balance Sheet published in the Fort Saint George Gazette.

G. O. No. 57 dated 21st January 1910, allows Government Servants of every class to make investments or place deposits in this Bank.

Fixed deposits received for 6, 12 and 24 months.

Savings deposits received for 24, 36 and 48 months.

Current accounts opened. Interest at 2½ per cent per annum

Detailed rules and particulars apply to:—

The Secretary,

Padma Vilas, Luz, *MYLAPORE*,