THE MADRAS BULLETIN OF CO-OPERATION

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ALL FOR EACH and EACH FOR ALL

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THE CO-OPERATIVE MOVEMENT—OFFICIAL AND NON-OFFICIAL AGENCIES.

BY RAO BAHADUR A. VEDACHALAIYAR.

It may be desirable to study the growth in the cost to Government by the entertainment of an increasing staff in the Co-operative Department :

In 1908—09, the Registrar had but one Deputy Collector as his assistant. In 1909—10, one more Deputy Collector was added. In 1910—11, there were 3 Deputy Collectors as Assistant Registrars. In 1913—14 one more circle was formed. In 1914—15, there were 6 Assistant Registrars. Commenting on this, the then Registrar stated that "the scheme of 6 Assistant Registrars for the Presidency may not appear at first to be so convenient as the system of a Joint Registrar for every 1,000 societies proposed by the committee on co-operation under which there would always be *an officer fully trained* and ready to take the place of the Registrar."

"In the Madras Presidency however, when supervision by unions is yet undeveloped, the inspection of primary societies in detail by controlling officers will be necessary for some years to come and as it is hardly possible for a controlling officer who has charge of 1,000 societies to see and inspect more than 250 societies in detail, the number of Assistant Registrars at present sanctioned does not appear too large for 1,600 societies". Two Assistant Registrars were added in 1917—18. In 1918—19, there were 9 Assistant Registrars in charge of 5 circles and one Personal Assistant to the Registrar of the rank of an Assistant Registrar. The net cost to Government in 1917—18 was 1,90,478 but it rose to 2,25,922 in 1918—19 when the pay of the whole inspectorate and that of the clerical staff was completely revised and placed on a progressive scale. It was in this year that the system of appointing gentlemen with local influence as Honorary Assistant Registrars was inaugurated. This system of having only 9 circles in the Presidency was in force in 1918—19 without a Chief Inspector for each District. The Government noted "The Co-operative Movement was first started in this Presidency in 1904. The number of villages affected by the societies now in existence bears but an infinitesimal proportion of the total number of villages in the Presidency and there is a vast field for expansion. Many tracts have been left almost untouched or only partially developed and this is due partly to geographical reasons and partly to lack of sufficient propagandist work. If the full benefits of co-operation are not to be confined to a favoured few, a greater effort must be made in the future, and vigorous propaganda must be undertaken to achieve the end in view. The Government are considering the question of increasing the staff of the Department so as *to ensure considerable increase in the rate of the spread of the movement*. The staff is on a temporary basis so that it can be replaced by the *non-official* agency as the latter becomes available. The Government trust that non-official gentlemen will come forward in still larger numbers in future to work steadily in the execution of duties which now fall on the Government staff. Reduction of office staff was contemplated in the future.

2. In 1919—20, the scheme contemplated was sanctioned. The terms of the scheme are described below. "With a view to carry the benefits of co-operation to every part of the Presidency, a scheme of

development was sanctioned by Government in their Order 135 (Revenue-special) dated 20—1—20. Nine new officers have been appointed to undergo training to be eventually placed in charge of the new sections sanctioned. The scheme when fully carried out in the next two years will secure *an Assistant Registrar* for each District with the exception of the Nilgiris and the Ramnad Districts. The former will remain clubbed with the Coimbatore District and the latter will be divided between the section charges of the Madura and Tinnevelly districts. The Assistant Registrars with the *smaller area of a District* and the large inspectorate staff sanctioned by the scheme will be better able to *secure the consolidation of the working of the existing co-operative activities and the expansion* of the movement throughout the Presidency".

There were 18 Deputy Collectors who were Assistant Registrars besides a Personal Assistant. There were 43 Honorary Assistant Registrars. 136 Inspectors were added. There were 18 Chief Inspectors of whom one was on 80-4-100 in the field and 17 on 60-2-80 at the rate of one Chief Inspector for each Assistant Registrar. All the Assistant Registrars were Deputy Collectors who were assisted each by a Chief Inspector to *undertake the routine audit, higher inspection and organisation of special societies* for special activities other than credit. This re-organisation was completed so that the co-operative movement in each district might have one Assistant Registrar with a Chief Inspector to assist him in technical details and to run the credit side leaving the Assistant Registrar free to devote his attention to other activities than credit aided by Honorary Assistant Registrars. The total cost was 3,08,705.

3. In 1920—21, the Government in G.O. No. 2234 dated 16-12-20, sanctioned the creation of the post of a Joint Registrar to afford relief to the Registrar in certain branches of work especially the inspection of central banks and the control of finance in the movement. The post was however abolished with effect from 17th March 1921 in deference to the wishes of the Legislative Council under the reform scheme. There were 17 sections, and 2 independent sections were allowed to be formed in Ganjam and Nellore. There were 55 Honorary Assistant Registrars and the net cost was 5,34,709. The Government found that the scale of pay was raised for the Deputy Collectors and they desired gradually to replace Deputy Collectors by non-Deputy Collectors as Assistant Registrars. Since the close of the year, the experiment has been introduced of selecting for training, Assistant Registrars who are not drawn from the Deputy Collector class.

In 1921—22, there were 22 Assistant Registrars. Of these 6 were men selected from among those who have not been Deputy Collectors apparently with a view to make the department self-contained. The net cost to Government was Rs. 5,86,355. There were also 61 Honorary Assistant Registrars during that year.

4. In 1922—23, there were 23 Assistant Registrars including one Personal Assistant. There were 74 Honorary Assistant Registrars. 2 Chief Inspectors for Madras and Nilgiris were added. There were 24 Chief Inspectors and 206 Inspectors in the Co-operative Department. The cost to Government was Rs. 6,19,254. The 9 Assistant Registrars and the large number of Inspectors and Chief Inspectors had to be trained during the years 21-22 and 22 to 23. The Government pressed on the Registrar to replace Deputy Collectors by others recruited from outside without any further delay. The Registrar could not apparently secure proper qualified men from selections made from outside and felt that the work of the departmental staff was getting deteriorated. The Registrar wanted an upper controlling staff in the shape of Deputy Registrars because (1) he wanted to retain at least 9 Deputy Collectors, (2) because he anticipated that the non-Deputy Collector Assistant Registrars would require at least 4 to 5 years before they could be of use to the Department.

In 1923—24, the Registrar wrote "During the last two years, it has become increasingly evident that in order to give effect to *the policy of replacing Deputy Collector Assistant Registrars by a less costly agency*, without at the same time *seriously impairing the efficiency* of the Department, *the upper controlling staff should be reorganised* and the department should be self-contained and self-sufficient, affording *adequate prospects* within the department itself for each grade and class of officer. The work to be done by the Co-operative Department, especially the work of the upper controlling staff, is far from being so simple as is sometimes erroneously supposed, both technical in theory and complicated in its practice. It is therefore essential that the department should be organised in such a way as to prevent the *premature* loss of officers who have gained valuable experience and knowledge if officers are recruited from and have to revert to other departments, or if prospects within the Co-operative Department are not sufficiently good to retain the type of men required for the work. It is necessary to maintain the efficiency of the department at a high level so that Government may fulfil its responsibilities to the public in regard to the guidance and control of the movement and may ensure sustained and orderly progress on safe and sound lines. It is hoped that the reorganisation of the Department which is now under consideration will not only ensure greater efficiency but will also relieve the upper controlling staff a great deal of routine work and allow them more time to devote to important *local* problems and to work of a more difficult nature involved in the organisation and development of new or special types connected with non-credit activities." The Registrar was apparently obliged to take this step owing to the policy adopted by Government to replace the Deputy Collectors by others as Assistant Registrars very rapidly, instead of waiting to replace them after securing well equipped and efficient non-Deputy Collector Assistant Registrars.

The Registrar noted that the ideal "which has been kept in view is that the whole work *of supervision should eventually be taken over by the non-official agency*. The ultimate control of the movement and the statutory functions of *registration, audit* and *liquidation* must remain with Government. To meet the increase in the number of societies and the consequent increase in the work of audit, a further portion of the subordinate staff will have to be confirmed very soon. As the movement develops, necessity will arise from time to time of increased staff, but the increase will be required mainly for audit work. Any addition which may be required for propaganda and supervision will only be of a temporary nature. The more rapid the progress in efficiency of the local unions, the more rapid will be the decrease of the portion of the subordinate departmental staff which is required for other work than audit."

5. The net cost to Government was Rs. 6,28,743. When the Government sanctioned the scheme of reorganization of the upper controlling staff, they observed as follows : "Under the new scheme the department *instead of depending on the Revenue Department* for part of its recruitment will eventually become self-contained and the cost of the establishment will be *gradually reduced*. The Government has accepted the position that the co-operative movement is essentially a non-official movement and that the ideal to be kept in view is the devolution to non-official agency of duties connected with co-operative propaganda, the organisation of societies and their supervision ; but the changes must not be *unduly hurried* and the responsibility for the general control of the movement and for certain statutory duties must remain with the Government. As an intermediate stage in the process of development, the appointment of Honorary Assistant Registrars has served a useful purpose in the education of non-official workers".

This ideal as detailed by Government does not appear to have been scrupulously followed as Honorary Assistant Registrars are made to work as arbitrators to decide disputes including debts.

In 24 25, there were 22 Assistant Registrars' sections besides the special agency section. The scheme for the reorganisation of the upper controlling staff sanctioned by Government in March 1925 gave 9 Deputy Registrars of whom 8 were in charge of circles with headquarters at

Vizagapatam, Bezwada, Bellary, Vellore, Madras, Trichinopoly, Madura, and Coimbatore, besides one retained as Personal Assistant to the Registrar. There were at the end of the year 26 Assistant Registrars with 24 sections, one being retained at Madras as the Manager of the Registrar's Office.

6. Having secured this expansion of the upper controlling staff, the Registrar wrote to Government as follows:

"The scheme will prevent the premature loss of officers (apparently the Registrar means Deputy Collector Assistant Registrars) who have gained valuable experience and knowledge. The department will become self-contained and self-sufficient affording adequate prospects within the department for each grade and class of officer. The scheme was not designed to afford to the Registrar that relief, which as a result of the rapid extension of the movement and the growing complexity of the problems with which he has to deal, has now become imperatively necessary. The greater the extent to which non-official agencies take part in the control of the movement, the greater is the necessity for the Registrar to keep in close personal touch with the various developments throughout the Presidency. For it is only if he does this that he can properly fulfil his responsibility not only to the Government but to the movement as a whole. The movement in this Presidency has now reached a stage at which it is impossible for the Registrar to discharge single -handed the various heavy responsibilities which devolve upon him personally. It is essential that he should have an *assistant* to whom he can entrust certain portion of his work to be done independently, and subject only to the Registrar's general control. An additional Personal Assistant will not meet the case." The net cost to Government in 24-25 was Rs. 666,587.

6. The departmental agency has thus grown stage by stage to the extent noted below : 9 Deputy Registrars, 4 on Rs. 500-50-850 and 5 on 300-30-450 ; 25 Assistant Registrars on Rs 200-10-300 and one extra Assistant Registrar for Agency tracts on Rs. 150-50-200-10-250. This represents the upper controlling staff. There are 316 Inspectors, 86 clerks, 1 muchie, 10 attenders and 76 peons who belong to the category of the lower controlling staff. Hitherto the Assistant Registrars formed the upper controlling staff whose work was co-ordinated by the Registrar assisted by a Personal Assistant of the cadre of Assistant Registrar. The formation of a new cadre in the shape of Deputy Registrars is ostensibly to prevent the premature loss of officers who have gained valuable experience and knowledge, but it is really to supervise the Assistant Registrar and the inspectorate establishment leaving the Registrar free from this aspect of work. The reason for this

change of policy appears to be the selection, on less pay as Assistant Registrars, of persons directly instead of from the Deputy Collectors' grade, and the Registrar wants a set of Deputy Collectors or men of considerable experience to supervise the newly created Assistant Registrar and thus share his responsibility. One fails to understand whether the same object could not be obtained by keeping Assistant Registrars only without the creation of a new office of Deputy Registrar provided the Assistant Registrars are properly paid and efficiently trained. The work to be assigned to the Assistant Registrar is said to be to devolve full responsibility in regard to credit work and the Deputy Registrar is proposed to be used for the working of non-credit activities and for administering or supervising the credit activities in 2 or 3 Districts, each Deputy Registrar being in charge of those Districts. The separation of credit and non-credit activities between two class of officers is a matter of considerable difficulty not conducive to the healthy growth of either. The Deputy Registrar whose jurisdiction will extend over two or three Districts can hardly be expected to stimulate, foster, and guide the non-credit activities in his jurisdiction owing to his having very little personal touch with the co-operators and the credit side of the movement. On the other hand, an Assistant Registrar in each District without any Deputy Registrar over him which was the effect of the scheme of 1920—21, will be a better arrangement for both credit and non-credit activities being watched with care by a *single responsible* officer with a smaller jurisdiction and with more personal touch with the co-operators and the co-operative movement in the district. After all, co-operators who are to handle credit and non-credit activities are one and the same and the division of the Government staff in the direction proposed will not be of much use for the expansion of either the credit or non-credit activities. An intermediary set of officers between the Registrar and the Assistant Registrar will only result in the Registrar becoming a regular office intended to regulate the work of a number of officers by multiplication of correspondence. However the scheme has been accepted by Government and brought into force and co-operators can only watch how far the change is going to give an advantage over the system it supersedes. The Government establishment is getting decidedly top heavy without corresponding advantage. It is imposing to the eye of the public that the state helps the movement by spending a very large amount, but this arrrangement is not likely to help the rural co-operators in making rapid progress in the movement for their economic uplift. The Registrar has one Deputy Registrar as Personal Assistant and one Assistant Registrar as his manager. He has a Joint Registrar so as to reduce the heavy responsibilities which devolve upon him personally. The creation of this post has excited public criticism because of the fact that there are 9 Deputy Registrars who are available to assist the Registrar in administrative work. The post of a Joint Registrar is one intended apparently to directly relieve the Registrar of heavy work as he does really want such assistance in regard to finance and the regulation of the work of central banks in the Presidency. If the post of Joint Registrar is to secure as a training ground for getting a Registrar selected out of the ranks of co-operative officers,the public need not grudge the additional expenditure. This is however not to be, as the post of the Registrar is to be filled up only by officers from the I.C.S cadre, a real political advance in a transferred subject ! The Registrar from the I. C. S. grade wants a Joint Registrar, an Indian of apparently considerable experience so that the I. C. S Registrar may merely use his "driving power" for which he is eminently qualified. It is rather surprising that this large and top heavy establishment was secured by the department when it is under the transferred half of Government controlled by a Minister chosen from among the elected representatives of the people, especially when the preceding Minister wished to secure cheaper controlling agency in the shape of non-Deputy Collector Assistant Registrars. Probably an explanation is available in the fact that the Minister happens to be a Retired Deputy Collector who had put in 35 years' service and who is not affected by the topheavy establishment having been accustomed to such a position.

The creation of the Deputy Registrar's post will, it is hoped, be a temporary expedient to preserve in the department a few officers of experience but the perpetuation of this cadre whether held by Deputy Collectors or non-Deputy Collectors is open to a number of objections which are noticed below :--

(1) Administrative charges over 2 or 3 Districts for each Deputy Registrar will give no benefit to the co-operators, and the Registrar's touch with the movement will more or less be confined to conferences with the Deputy Registrars.

(2) The Deputy Registrars will not be in direct touch with the credit or non-credit side of the movement by reason of wide jurisdiction. This is experience actually realised when there were 9 sections under 9 Assistant Registrars in 1918-1919. The Office of the Deputy Registrar will practically deteriorate into one dealing with the correspondence between the Registrar and the Assistant Registrar.

(3) The Assistant Registrars in Districts will not feel the entire responsibility for the *development of the movement in all directions* in each District. Even in regard to credit, they in turn will become head supervisor or auditor over local unions. They would become mere machines to answer to the dictates of Deputy Registrars ignorant of local knowledge and conditions.

7. Co-operators are aware that there is not much use in condemning a system after it has been introduced but it must be pointed out that the post of Deputy Registrar has been created to avert a special difficulty arising out of the wrong policy of the Government suddenly insisting on the replacement of Deputy Collector Assistant Registrars by non-Deputy Collector Assistant Registrars for all posts and that such posts should be abolished when competent Assistant Registrars become available. Some of the Assistant Registrars may be selection grade officers on higher pay and each Assistant Registrar may have a District as jurisdiction being responsible for the progress of the movement in all directions. If such a course is adopted, each District will have a self-contained Officer of the Department with technically a trained staff to help him in promoting the progress of the movement. The distribution of credit and non-credit activities between the Assistant Registrar and the Deputy Registrar is the most objectionable portion of the scheme introduced. The transitory arrangement now made should really be transitory and the Deputy Registrars now in charge of circles should get absorbed in districts along with their high pay if necessary and should replace an equal number of Assistant Registrars. The Assistant Registrar alone should be looked up to as the officer in charge of the development of co-operation in each District. It is then that the absolute importance and high utility of the Joint Registrar will be widely felt. The Registrar will have to control the machinery of administration, supervision, propaganda and audit with the assistance of a Joint Registrar who may be of the status of a Deputy Registrar or even a higher one. He can be put on a higher status only when the Joint Registrar is selected as Registrar. Otherwise a Deputy Registrar or an officer of that grade will be more than ample.

8. The Government is very generous in building a huge edifice of its own departmental establishment which will be ever increasing with the growth of the movement but it feels reluctant to give suitable subsidy to non-official organisations for education and propaganda and also for supervision which is another phase of co-operative education though such subsidy which should be a very limited and small amount will be only for 7 or 10 years on a scale which can get reduced every year along with the growth of the movement. This subsidy can be met by a suitable reduction of the staff of Government utilised for the discharge of non-statutory functions, of specially the administrative inspector. This aspect of the question should be seriously pressed by the co-operators on the Government for their consideration.

9. The Government should recognise the fact that in the present stage of the movement where surplus in central banks is very heavy and the agriculturists are in awful need for money, the overdues to central banks by primaries are rising, and the overdues by members to primaries have reached the breaking point, some serious effort should be put both to strengthen in quality and quantity, the non-official agencies by grant of adequate subsidy to secure the consolidation of the work already done, to rectify the past defects of the government and non-official agencies and avert a serious calamity to the credit side of the movement which, in the view of many interested in the movement, is impending and which acts as a hindrance to the progress of the movement in other directions. The Government should not merely be strengthening its staff at the top. After all, the demand for such a subsidy for the non-official agency will not exceed Rs. 50,000 per annum for the Presidency for a period of 7 or 10 years. If the Government recognizes the principle of grant of such subsidies, each District can work out details, though its district federation and the Provincial Union can regulate it. This arrangement proposed will be found the cheapest for the Government to secure a smooth progress of the movement so that it may really become a "people's movement."

THE REORGANISATION SCHEME.

By Mr. K. G. Sivaswamy.

It is only with a great deal of trepidation of heart and hesitation of mind, a person in my position should dare to criticise the proposals of Mr. Vedachalaiyar who always brings to bear on a question his historical and inner knowledge of the working of the movement and his ripeness of experience. Certain view-points, unconsciously it may be, colour the outlook of certain co-operators and that is an innate belief in the official control and guidance of the movement in all details of administration. It is very difficult in a country like India to disabuse one's mind of it, however much one may protest against it.

The proposal in practice tantamounts to the gradual replacement of the existing low paid Assistant Registrars by high paid officers from the grade of Deputy Collectors. In the first place, this proposal will cost much to the tax-payer. In the second place, it is a scheme of intenser officialisation. Under the existing scheme, it has been accepted even by the Minister that the present Assistant Registrar is nothing more than a senior inspector. We may therefore conclude, if we are not to be frightened by names, that the present Deputy Registrar is the old Assistant Registrar whose jurisdiction has been widened for every 3 districts, thus

eliminating the closer control of the movement under the leading strings of the officials.

One need not go into the question of the comparative qualifications of Deputies and Assistants. Good and true men are found everywhere and if training for the office is considered requisite, both travel in the same boat. Almost none of them are trained in the theory and practice of co-operation in any University College. If even without it there are officers ably organising agriculture on the co-operative basis, it is due to their personality rather than the superior virtues associated with service in the Revenue Department.

A Deputy Registrar for every 3 districts, trained in Agriculture, Rural Economics and Banking and assisted by a staff of trained auditors will be more than ample to guide and advise the movement at its present stage. This is what the recent Provincial Conference has asked for.

Very often the human mind confuses the system with the working of it. For the sins of the latter, the former comes in for condemnation, and consequently the method of destruction appears easier than the one of reformation. Mr. Vedachala Aiyar has clearly shown that the credit and non-credit side are inseparable and the division of the one from the other will lead to the progress of neither. To add to it, to put the Assistant Registrars in charge of credit societies and Unions, and the Deputies, of Central Banks, makes the situation worse. But the entrusting of the whole co-operative work to a single district Officer alone will not in the least improve the Co-operative situation. It will make the administration more topheavy. When one rightly understands the spirit underlying the resolution asking for the abolition of Deputy Registrars in the recent Conference, he will find that the Co-operators felt the greatest difficulty in passing all their communications through the Assistant Registrar to the Deputy Registrar. What is therefore required is a better demarcation of functions between these two sets of Officers. But a demarcation delimiting the power of the Assistant Registrar to the mere issue of audit orders of unlimited rural credit societies will jar on the non-Deputy Collector incumbents of the office who joined under the older scheme in the hope of rising to the rank of Deputy Collectors. The mere segregation of non-credit work under Deputy Registrars has every possibility in it of giving an artificial stimulation to non-credit and leading to a covering up of defects under showy reports not after all favourable to a movement whose strength depends on the sunlight publicity. All Governments weigh the worth of their Officers in the quantitative balance of statistics and extremely difficult it will be for an Officer to release himself from the subjection to statistical judgments unless he is possessed of an extraordinary individuality finding its satisfaction in the day's work. And if he is made of such a caliber, he will suffer the worse for it by a comparison with his colleagues.

The fact is that all co-operative work disturbs the existing economic adjustments in the society and to that extent the worker, official or non-official, is confronted with an array of forces which, in the first place requires a missionary zeal which will not be daunted by failures at every step. In the second place, non-credit co-operative organisation rouses up more influential disturbing factors in the economy of society, hard to struggle against and difficult to conquer. In the third place, the average ryot for whom the championing is done, straightforwardly refuses to become the master of his own house and perhaps a generation or two will have to pass before he gains the habit of mind for organising himself for banking and trading. Incessant propaganda, "button-holing" of the ryot by personal conversation and admonition, may fail to achieve the organisation of the ryot for co-operative marketing. The conscious outlook is achieved in very slow imperceptible stages or through waves of enthusiasm which we very often read of in the labour organisations of the west. Fourthly, until the whole government is socialistic in its outlook, the Departmental Officer may find obstacles at every stage in the organisation of the ryot and hard will it, generally speaking, be to expect an official department to create a wave of enthusiasm in the country grouping people of the same economic interest, making a frontal attack on existing vested interests, breaking economic relationships based on profit motive and exploitation and pressing towords the goal of a co-operative commonwealth. Even such zealous work may achieve temporary triumphs as in the political field but not evolve that discipline in the ryot which will become a habit in him to look to the co-operative organisation for the supply and satisfaction of his needs. In addition to all these difficulties, public opinion in the press, platform, and the Legislative Council clamours for results in the credit as well as the non-credit side. Few are the non-official workers with leadership, wide outlook, and sustained enthusiasm to organise the economic system on the co-operative basis. The official is on his trial.

No wonder that Co-operative Lease societies for field labourers are run either by their landlords or their agents in the absence of full knowledge of the members themselves that it is their society. No wonder that labour unions flourish or fail with the co-operation or the non-co-operation of the contractor which varies with the profits he can make in the union or outside. No wonder that loan and sale societies or crop loan unions depend for their turnover mostly on merchants or small traders.

No wonder that the officer should disapprove of the action of the Crop-loan Union at Orathanad in issuing loans on the pledge of non-agricultural articles. No wonder that poor primary societies should be induced to invest large share capital by borrowing from the Central Bank at 8 per cent in the Agricultural Industrial Society at Kallakurichi even at the risk of not investing their reserve fund every year. No wonder that the Tirukattupalli Trading Union should show a larger turnover by selling cheap grain and cloth with the help of relief funds. No wonder that the land reclamation society should take credit for its work while all along it has been helping the richer people with relief funds to reduce the huge unprofitable investments in reclamation. That way lies the danger for the credit movement, for the rural primary society which may be yoked in schemes unprofitable, for which it may liberally pay as it does not touch the member's pocket but its own which will no doubt be large in the absence of civic vigilance. It is fortunate that such a policy has not been permitted for tapping share capital for the Labour Unions in Tanjore District.

The acceptance of the principle by the Department, of giving larger loans to individual members and thus including the richer middle classes in the village, and the policy of granting produce loans to good societies which in turn lend them to members on the security of produce, are natural and legitimate developments of the credit movement. In this way non-credit may slowly be evolved. As the success of non-credit rests largely on the discovery of zealous and undaunted non-official workers in the existing organisations, the recruitment of Deputy Collectors alone in the Co-operative Official cadre for each district will not achieve much. The present system of having Deputy Registrars for every three districts will quite do at the top, for perfecting the credit organisation, and introducing non-credit activities in credit societies. What the movement requires is a regular cadre of trained auditors with better pay, prospects and travelling allowances. As the Co-operative officer is not merely concerned with credit or non-credit but with the improvement of the agriculturist, he should be one trained in agriculture, banking and rural economics. The course in the College of Agriculture may be widened to that extent. The resolution of the recent Provincial Conference asks for these two reforms. If with these reforms the Deputy Registrar is put in charge of all co-operative work, restricting the power of the Assistant Registrar to the mere issue of audit certificates in his name for the rural credit societies, we would have reverted back to the older and healthier system of a single officer for every three districts.

THE 14th BOMBAY PROVINCIAL CO-OPERATIVE CONFERENCE.

Resolutions.

Resolution No. I—Condolence on the death of Mr. F. T. Nalavadi.

This Fourteenth Conference of the co-operators of the Bombay Presidency places on record its profound sense of sorrow at the loss which the Co-operative Movement has suffered in the sad and untimely death of Mr. F. T. Nalavadi, President of the Karnatak Branch of the Bombay Central Co-operative Institute. He was an ardent co-operator of this division and many of the local co-operative activities of this District owe their existence mainly to his inspiration. In him the Karnatak has lost a genuine co-operator. The Conference offers its sincere condolence to his bereaved family.

Resolution No. II—Condolence on the death of other co-operators.

This Fourteenth Conference of the co-operators of the Bombay Presidency places on record its deep sense of sorrow at the great loss which the Co-operative Movement has suffered by the sad death of Dr. T. D. Velankar, Mr. R. M. Sane, and Mr. B. P. Sulakhe.

Dr. T. D. Velankar was an affable gentleman, deeply interested in this Movement, who did considerable work at great sacrifice to make the Daxini Brahmin Co-operative Housing Society at Bombay a success, and the Conference offers its sincere condolences to the bereaved family.

Mr. R. M. Sane was a Divisional Honorary Organiser for the Central Division and the founder and President of the Barsi Central Co-operative Bank for a long time. Mr. Sulakhe was also a genuine co-operator of the same place. The gap created by the untimely death of these eminent co-operators cannot be filled up easily. The Conference offers its heartfelt sympathies to the bereaved families of both the deceased.

Resolution No. III—Appeal to Italian Government to give protection to the Lega Nazionale delle Co-operative, Milan.

This Fourteenth Bombay Provincial Co-operative Conference, 1925, held under the auspices of the Bombay Central Co-operative Institute, has heard with great grief the seizure of the offices and property of the 'Lega Nazionale delle Co-operative, Milan', and its dissolution under the orders of the Government of Italy. The League, which has been rendering for very many years past yeoman services to the cause of Italian Co-operation and secured the collaboration of such eminent Italians as Luzzatti and Buffoli, has to the best knowledge and information of this Conference been working purely as an economic organisation in no way inimical to the established Government of Italy. This Conference, therefore, appeals to the Government of Italy to give the League the protection accorded to all law-abiding citizens and associations and to allow it to carry on its beneficent activities without interference.

This Conference authorises its President to send a copy of this resolution to the Italian Government, to the Government of Bombay, Government of India and the International Co-operative Alliance.

Resolution No. IV—All-India Co-operative Conference.

This Conference is of opinion that the time has come to hold an "All India Co-operative Conference" and recommends that the detailed arrangements for the Conference should be discussed and settled at an informal meeting of representatives of propagandist bodies in different provinces and States to be convened at Bombay in January in connection with the Registrars' and Provincial Banks' Conference.

Resolution No. V—Share System in Agricultural Credit Societies.

This Conference recommends that, to stimulate thrift and build up owned capital, a system of shares payable in instalments similar to that in force in Sind may, with suitable modifications, be introduced in Canal Tracts of the Deccan and the districts of Dharwar, Surat and Broach, and shall form an integral part of the agricultural credit organisation in Talukdari, Narvadari, Bhagdari, Mewasi and Khoti villages in Presidency proper, and further requests the Registrar to draft in consultation with the Institute suitable model bye-laws for the introduction of share system in agricultural credit societies.

Resolution No. VI—Encouragement to Co-operative Irrigation Societies.

(a) *Appointment of officers for investigation* :—This Conference requests Government to place at the disposal of the Central (Provincial) Institute the services of an experienced Agricultural Graduate and a Sub-Overseer, whose duties among others will be :—

(*i*) to inspect sites,
(*ii*) to make plans and estimates of schemes,
(*iii*) to assist in the organisation of Co-operative Irrigation Societies.

(b) *Financial concessions to Co-operative Irrigation Societies* :—This Conference requests Government to grant to Co-operative Societies undertaking schemes of tank-building and Nala-bunding financial assistance on the concessional terms allowed to power-pumping societies as announced in Government Resolution No. 2417-24 of 23rd May 1925, and further urges that the rate of interest on advances should be reduced to four per cent. and the terms of repayment extended to forty years.

Resolution No. VII—Encouragement of Thrift in Co-operative Societies.

(a) *Collection of Savings at harvest time in Agricultural Credit Societies* :—This Conference recommends that agricultural credit societies with a view to promote thrift should undertake every year at harvest time to collect savings from members through their secretaries or persons duly authorised on their behalf.

(b) *Introduction of Savings boxes and Savings tickets in Urban Credit Societies*:—This Conference recommends that all urban credit societies should introduce savings boxes and savings tickets for the deposit and collection of voluntary savings of their members.

(c) *Agricultural credit societies to function as Savings Banks*:—This Conference is of opinion that agricultural credit societies should function as savings banks for all the members and recommends such societies specially to take into consideration the saving deposits made by members while approaching the Registrar for the approval of loans above the limits fixed in the Bye-laws.

Resolution No. VIII.—Organisation of a Cottage Industries and Handicrafts Association.

This Conference recommends that the Bombay Central Co-operative Institute, in consultation with the Registrar of Co-operative Societies and Directors of Agriculture and Industries, should take early steps to organise and form an association under the Co-operative Societies Act for the development of Cottage Industries and Handicrafts.

Resolution No. IX.—Organisation of a Co-operative Wholesale Society.

This Conference accepts the urgent need, in the interest of agricultural producers and urban as well as rural consumers, of starting a Co-operative Wholesale Society; but as it is necessary to proceed cautiously, it requests the Co-operative Department to depute one of its Assistant Registrars to work in collaboration with the Bombay Central Co-operative Institute to carry on necessary preliminary investigation and propaganda, and if favourable conditions to start a store are found to exist, to take steps to organise such a Co-operative Wholesale Agency.

Resolution No. X.—Reduction of Rate of Interest on Loans to Housing Societies.

(a) In view of the fact that the co-operative housing societies which built their buildings prior to December 1924 are encountering great financial difficulties on account of the fact that they erected their buildings at a time when the cost of building material and of labour was very high, this Conference urges upon Government the necessity of still further reducing the rate of interest on loans to such societies from five per cent. to four per cent.

(b) In view of the fact that the rate of interest paid by Government on public loans has gone down, this Conference requests Government to reduce the rate of interest at which they offer loans to new co-operative housing societies from six per cent. to five per cent.

Resolution No. XI.—Patronage to Co-operative Producers' Societies.

This Conference emphasizes the desirability and necessity of co-operative bodies and individual co-operators as well as the Department patronizing and helping co-operative producers' societies by giving preference to them in placing

orders for goods that may be required by them and supplying these societies such work as can be supplied by them and also by giving financial help, whenever necessary, in view of the keen competition the producers' societies have to face in the early stages of their development.

Resolution No. XII.—Creation of a Co-operative Fund for propaganda and education.

This Conference appeals to the Provincial Co-operative Bank and the co-operative societies in a prosperous condition to set apart a certain portion of their profits as a co-operative fund for propaganda and education.

Resolution No. XIII.—Advancing Loans to Housing Societies at rates of interest not exceeding four per cent.

This Conference is of opinion that housing accommodation for the lower middle classes is the crying need of the day, and to supply this great want, erection of buildings on co-operative lines is the only solution. For this purpose this Conference cannot do otherwise than urge Government to advance loans to housing societies at as cheap interest as possible not exceeding four per cent at any rate.

Resolution No. XIV.—Co-operative Marketing of Farm Products.

1. *Training classes for Managers of Sale Societies*:—This Conference requests the Central Co-operative Institute to organise at suitable places Training Classes for Managers of Sale Societies in co-operative marketing with the assistance of experts and the Agricultural Department.

2. *Publication of Reports on the present system of Agricultural Marketing*:—This Conference requests the Institute in consultation with the Registrar and the Director of Agriculture to collect and publish reports on the present system of agricultural marketing, ordinary and co-operative, and suggests that the work should be taken in hand with the assistance of agricultural overseers and the agricultural staff engaged on special crops. The cases in which the first investigation should be made are those in which there are prospects of immediate development.

3. *Allowing Sale Societies to deal with several kinds of Agricultural Produce*:—This Conference is strongly of opinion that Sale Societies should be permitted in suitable cases to deal with several kinds of agricultural produce offered for sale by their members provided that the sale of one product does not interfere with the efficacy in the sale of another.

4. *Prohibition of persons carrying on similar business from being members of Managing Committees*:—This Conference holds that no person carrying on any business similar to that in which a sale society is engaged shall be eligible to become or to continue as a member of the Managing Committee of that society.

5. *Starting of sales unions*:—This Conference recommends that in an area which is well developed in credit co-operation and where there is a suitable

marketing centre, it is desirable to have a sale union consisting of only societies as share-holders.

6. *Construction by Goverment of Godowns for Sale Societies*:—In order to encourage sale organisations in this Presidency this Conference urges the Government to construct suitable go-downs for the use of the sale societies in market centres where suitable accommodation is not otherwise available, fair rental being charged.

7. *Introduction of the study of Marketing in Schools and Colleges*:—This Conference recommends the authorities in charge of education (including the University) to introduce and encourage the study of marketing in suitable places in the upper classes of primary schools, in secondary schools and college courses.

8. *Intensive Investigation into the question of Marketing*:—This Conference considers that the whole question of marketing in this country needs special study and recommends that the Professor of Agricultural Economics should be provided with necessary staff to conduct intensive investigation on the subject.

9. *Difficulties of Finance for societies dealing in perishable articles*:—This Conference would draw the attention of the Co-operative Institute to the difficulty of obtaining finance for societies dealing in perishable articles like mangoes, vegetables and the like (especially before the products are in the market) and would suggest that the Institute should investigate the matter with a view to providing for the necessary finance in such cases.

10. *Compelling members to sell their produce through their societies*:—This Conference is of opinion that a bye-law should be provided in every sale society whereby every member should be bound to sell his produce (of the kind dealt with by the society) through the society, with a proper clause for a penalty in case of sale elsewhere.

11. *No Sale Society to be started without competent management*:—This Conference is of opinion that no sale society should be formed unless the amount of business eventually available for the society is such as to enable it to employ competent and efficient management.

Resolution No. XV.—Co-operative Supply of Agricultural Requisites.

1. *Line of Organisation of societies*:—This Conference is of opinion that the societies for the supply of agricultural requisites should be organised on the following lines :—

(1) The area of operations should be large enough to provide sufficient business to secure expert competent management.

(2) Work should be undertaken mainly on the indent system, indents being secured, if necessary, through agricultural credit societies to be affiliated to the organisation, or goods should be kept, where this is possible, on consignment account.

(3) Supply should be made available to individuals on cash payment.

2. *Investigation into the question of introducing Credit*:—This Conference recommends that the question as to whether any credit whatever can or should be allowed in connection with societies for the supply of seed or other agricultural requisites should be investigated by the Institute.

3. *Organisation of a Wholesale Agency*:—This Conference is further of opinion that to ensure the success of local societies for the supply of agricultural requisites, it will be necessary ultimately to organise a Wholesale Agency preferably in Bombay.

Proceedings of the Co-operative Bankers' Conference held under the auspices of the Madras Central Urban Bank, Ltd., at the Bank Premises on Saturday, the 8th May 1926, at 11 a.m.

The following banks were represented.—

1. Madras Central Urban bank, Ltd.
2. Anantapur District Co-operative Central Bank, Ltd.
3. Co-operative Central Bank, Ltd., Conjeevaram.
4. Co-operative Central Bank, Ltd., Vellore.
5. Co-operative Central Banking Union, Ltd., Tanjore.
6. Chittoor District Co-operative Central Bank, Ltd.
7. Cuddapah District Co-operative Central Bank, Ltd.
8. Coimbatore District Urban Bank, Ltd.
9. Ellore Central Co-operative Banking Union, Ltd.
10. Guntur District Co-operative Bank, Ltd., Tenali.
11. Ganjam District Co-operative Banking Union, Ltd., Berhampore.
12. Godavari District Co-operative Banking Union, Ltd., Cocanada.
13. Krishna Co-operative Bank, Ltd., Masulipatam.
14. Kurnool District Co-operative Central Bank, Ltd.
15. Malabar District Co-operative Bank, Ltd., Calicut.
16. Nellore District Co-operative Banking Union, Ltd.
17. Ramachandrapuram Co-operative Central Bank, Ltd.
18. Sree Kona-Seema Co-operative Central Bank, Ltd., Amalapuram.
19. Srivilliputtur Co-operative Banking Union, Ltd.
20. South Arcot District Co-operative Banking Union, Ltd.
21. Salem District Urban Bank, Ltd.
22. Trichinopoly District Urban Bank, Ltd.
23. Tanjore District Co-operative Central Bank, Ltd., Kumbakonam.
24. Vizagapatam District Co-operative Banking Union, Ltd.

Mr. J. Gray, Registrar of Co-operative Societies, and Rao Bahadur M. K. Venkatachariar, the Joint Registrar of Co-operative Societies, were also present.

Rao Saheb N. Krishnamachariar proposed and Mr. T. Adinarayana Chettiar seconded that Dr. B. Pattabhi Sitaramayya do take the chair. This was unanimously agreed to.

Dr. B. Pattabhi Sitaramayya occupied the chair. The resolutions on the subjects placed before the Conference are as under :

Subject No. 1

Overdues in Primary Societies—steps to be taken for their collection and prevention.

Resolution.

This Conference of representatives of Central Banks is of opinion that, considering the growing losses in the Village Societies and the increasing overdues both in the Village Societies and from Village Societies to Central Banks, the time has come for a thorough investigation of the state of the Societies individually. The investigation shall comprise, with respect to the outstanding loans, the question as to whether

(*a*) the members' bonds to the Village Society are live and sound;

(*b*) the Sureties are sound;

(*c*) the Society can be rehabilitated by an extension of loans or a reorganization or the Society has to be liquidated ;

(*d*) the Unions in particular areas are located in suitable places and have suitable personnel.

For this purpose the Central Banks shall consider the desirability of appointing special staff to help the Unions with a view not only to investigating the affairs of Societies but also to taking necessary action in the matter immediately.

NOTE : In reply to a question by Dr. S. Swaminadhan, *the Registrar of Co-operative Societies stated that barring 27 Inspectors, his staff is not meant for collection purposes but only for purposes of audit and other statutory duties.*

Subject No. 2

The need for a trained and efficient staff in Central Banks and prescribing a scale of minimum staff necessary.

Resolution.

The conference, while recognising the need for an efficient and technically trained staff, would leave to each Central Bank the discretion to employ such staff as is necessary having regard to local circumstances.

Subject No. 3

Consideration of the arrangements necessary for the concurrent audit of Central Banks.

Resolution.

Resolved that in the case of Central Banks, it is essential that they should arrange for concurrent audit at their own cost by an unofficial agency, the final audit, however, being done free of cost by the State.

Subject No. 4

Consideration of the proposal to ask for enquiry into (1) the appropriateness of the present method of calculation of profit and (2) the adequacy or otherwise of the margin of profit in certain classes of rural societies.

Resolution.

After detailed explanation of the subject by Rao Saheb T. Srinivasa Rao, the consideration of the subject was adjourned to the next half-yearly conference.

Subject No. 5

Letter from the Tanjore District Co-operative Central Bank, Ltd. Kumbakonam, requesting reconsideration of the resolution of the last Bankers' Conference regarding the rate of interest on Local Board Funds deposited with Central Banks.

Resolution.

Resolved that the maximum rate of interest on such deposits be as follows :—

On deposits fixed for	6 months	4 per cent.
"	"	1 year	5	"
"	"	1½ "	5¼	"
"	"	2 "	5½	"
"	"	3 "	6	"

Subject No. 6

Consideration of the Sub-Committee's Report appointed by the Bankers' Conference in March 1925 on (1) what should be the basis upon which the distribution of the resources of financing banks between long and short term loans should be made? Is it not desirable that a working basis should be adopted by each Central Bank with reference to its resources? Does the present method of distribution adopted by financing banks ensure

(*a*) the best utilization of their resources and

(*b*) financial safety?

(2) Can the maximum period for long term loans given by Central Banks to Primary Societies be extended to 10 years.

Resolution.

The recommendations of the Sub-Committee are accepted. (The report is as follows) :—

Proceedings of the Sub-Committee appointed at the Bankers' Conference held in March 1925.

The Sub-Committee met to-day (22—3—26) at the Registrar's office and all the members excepting Rao Saheb T. Srinivasa Rao were present.

2. The Committee considered the statistics given in Appendix I and the notes submitted by Rao Bahadur A. Vedachala Iyer and Rao Saheb T. Srinivasa Rao

(Appendices II and III). The Committee came to the conclusion that while all Central Banks including the Madras Central Urban Bank can lend for long terms, amounts equal to their owned capital and the reserve funds of other societies invested in them, they should not lend for long terms (in addition to the above) more than a definite proportion of the sum held by them in the shape of fixed deposits for periods of not less than one year. The following proportion is suggested by the Sub-Committee :—

50 per cent in the case of District Central Banks and

75 per cent in the case of the Madras Central Urban Bank.

It was considered that subject to these limitations long-term loans might safely be given up to a maximum period of ten years. District Central Banks can lend the money which they borrow from the Madras Central Urban Bank for periods not exceeding the periods for which the money is lent to them by the Madras Central Urban Bank.

These suggestions are based on the assumption that there will be no re-loaning by primary societies, of collections made towards long-term loans. Such reloaning should be strictly prohibited.

Subject No. 7

General Information Register-Maintenance of in Central Banks—Consideration of the Sub-Committee's report appointed by the Bankers' Conference in October 1925.

Resolution.

The form suggested by the Sub-Committee may be accepted. It is given below :

GENERAL INFORMATION REGISTER.

Section A.

Standing Information.

1. Registered number of society.
2. Name of society.
3. Address of society.
4. Date of registration.
5. Date of starting.
6. Revenue taluk or division in which situated.
7. Union to which affiliated.
8. Date of affiliation to union.
9. Date of affiliation to the Central Bank.
10. Constitution of the Panchayat (Board of Directors, or Managing Committee).
11. Description of officers who could execute bonds on behalf of society.

Section B.

Date.	Number of members.	Net value of the property of members. within the area of operations.	outside the area of operations.	Brrowing limit.	Paid up share Capital.	Reserve Fund. Invested outside.	Reserve Fund. Not yet invested.	Deposits including other borrowings. Members.	Deposits including other borrowings. Non-members.	Loans due by members.	Profit or loss of the previous year.
1	2	3	4	5	6	7	8	9	10	11	12

Section C.

1. *Short term loans.*

Date.	Loan No.	Amount disbursed.	Amount repaid.	Amount outstanding.

2. *Long term loans.*

Date.	Loan No.	Amount disbursed.	Amount repaid.	Amount outstanding.

3 & 4. D. C. B. Statements For Loans due by the Society to the Central Bank & by the Members to the Society.

Demand.						Collection.				Balance.	
		Amount recoverable.						Amount.			
		Principal.		Interest.							
Due date.	Loan No.	Arrear.	Current.	Arrear.	Current.	Date.	Loan No.	Principal.	Interest.	Principal.	Interest.

Section D.

Extracts from Audit and Inspection Reports

Subject No. 8

Who should pay the travelling allowance of representatives of Central Banks appointed by the Bankers' Conference to Sub-Committees?

Note.—The question was talked out.

Subject No 9

Letter from the Secretary, Nellore District Co-operative Banking Union, Ld, proposing the following resolution:

"That, in view of the large surpluses which Central Banks have in some seasons, the Imperial Bank of India be requested to allow interest at 2½% per annum on the credit balances of the overdraft account of the Co-operative Central Banks in the Presidency."

Resolution.

The matter be brought before the next Conference.

Subject No. 10

The question of the utilization of sarplus funds with the Madras Central Urban Bank, Ld.

Resolution.

Resolved that Central Banks be requested to hasten their opinion on the Land Mortgage Bank scheme put forward by the Registrar.

Subject No. 11. Executive of the Conference.

Resolution.

Resolved that a Working Committee consisting of the following representatives be constituted to function as the Executive of this Conference and administer its funds, and to prepare matters for discussion at subsequent Conferences:

1. Rao Saheb T. Srinivasa Rao.
2. Rao Saheb N. Krishnamachariar.
3. Dr. B. Pattabhi Sitaramayya.
4. Mr. V. Krishna Menon.
5. Mr. V. C. Rangaswami (Convener).

MYLAPORE, 8-5-26.

B. PATTABHISITARAMAYYA,
Chairman.

CORRESPONDENCE AND DISTRICT NEWS.

RECENT NEWS.

Loan and Sale Societies have been formed in the Avanasi area with a view to advance loans on the security of cotton stored by them in the society.

* * * *

An Agricultural and Industrial Society was formed at Pallapalayam near Coimbatore for the making of jaggery and hulling paddy.

* * * *

A Co-operative commission shop is to be started shortly at Tiruppur for giving the necessary facilities to the ryots to sell their cotton at the cheapest market.

* * * *

The South Arcot District Co-operative Bank secured a building at a cost of Rs. 7,500, and Grahapravesam was gone through on 26th April.

* * * *

Rao Saheb T. K. Hanumantharau delivered a series of lectures in Tinnevelly during the third week of April on Consumers' Co-operation. He presided over the Tinnevelly District Conference on 16th April.

* * * *

The Committee appointed for the economic survey of the Mysore Hill tracts under the presidency of Mr. Kesavayengar has recommended

(1) The starting of Land Mortgage Banks for the 3 Malnad Districts.

(2) The Maintenance of a record of rights in the land; and

(3) The introduction of legislative provisions similar to tho[illegible] the Deccan Agriculturists' Relief Act.

* * * *

The Tiruppur Cattle Show was conducted during the year between 28th and 30th May under the auspices of the District Agricultural Association, Coimbatore. His Excellency the Governor delivered an address on the importance of cattle breeding. Mr. Vellingiri Gounder, that staunch friend of the ryots, spoke on the agricultural needs of the District. The Hon'ble Mr. C. P. Ramaswamy Aiyar presided over the prize distribution and a comment on his speech about the use of power in agriculture will appear in the next issue. The prizes for best breeds of cattle were knocked off as usual by Palayakottai Pattakar who has become famous as the breeder of Kangayam cattle. Prizes were also awarded to 3 Co-operative Societies of Kollegal and Bhavani for silk and carpet manufacture. Lectures were delivered on Co-operation on the 2nd day under the Presidency of Rao Sahib Chinnarangaya Gounder, President of the District federation, by Messrs. K. S. Madhavarau and D. Samuel Pillai.

* * * *

A rural training class was recently conducted at Nambipuram under the auspices of the Coimbatore District Federation and Gobi Union, on 5th to 7th when the leading Co-operators of the District addressed the Panchayets of rural Societies on their duties and responsibilities. The Deputy and Assistant Registrars were also present on the occasion.

* * * *

We learn that the Supervisor of the Kambuliampatty Union was able to withstand a band of thieves who attacked him on his way from Perundurai, during the last week of May after making some collections in the societies. He was badly hurt; and while we congratulate him for his bravery, we heartily sympathise with the lot of supervisors in such cases.

Origin and history of Cardamom Planters' Co-operative Banks Ltd. in the District of Madura.

For over eighty years cardamom cultivation is carried on on portions of Travancore hills, bordering the British villages of Bodinaickanur, Cumbum, Thevaram and Kombai of Periyakulam Taluq, Madura District, the cultivators being mostly residents of these villages. Owing to inability on the part of the cultivators to find out suitable markets and on account of other causes too numerous to mention, the price of cardamom which ranged from Rs 40 to Rs. 50 per Thulam of 816 rupees weight fell to Rs. 10 to 12 during the decennium ending 1920, with the result that many of the planters had to give up the valuable cultivation on which they had sunk large capital. When things reached a crisis, the leading cultivators put their heads together and found out that the fall in prices was due not to want of demand for the commodity but to combination on the part of the Bombay and other merchants who went in for this commodity and who dictated their own prices. The cultivators headed by the Zamindar of Bodinaickanur and Rao Sahib A. S. Alagannan Chettiyar, another leading landholder, formed themselves into an association, got it registered under the Societies Registration Act on the 29th of July, 1921, and resolved that thereafter all cardamoms should be sold only in auction through the association at four stated centres and that the price should in no case be less than Rs. 20 per Thulam. As an immediate result of this organisation, the price of cardamom rose to Rs. 33 and the cultivation also received an impetus. The cultivators saw for the first time what organization meant. The arrangement, however, required the pooling up of the produce and the holding up of it for a favourable market; but this put the smaller cultivators in particular, who were in urgent need of money, to grave inconvenience. The association could not go to their rescue as it had no finances of its own. It was therefore at its wit's end as to how to keep the members within its fold. At this stage some of the members, hearing of the help

that co-operative societies might give them, approached the Assistant Registrar of Co-operative Societies, Madura, Mr. G. Srinivasa Raghavachari, who had then been camping in the neighbourhood, and with his aid got Co-operative banks established in two out of the four centres; namely, Bodinaickanur and Cumbum. This was early in the year 1924. Later on Co-operative Banks were established in the remaining two centres also namely, Thevaram and Kombai. What co-operation was able to do for these cardamom planters, within the space of one year will be seen from the figures in the sub-joined statement culled out from the Departmental Audit Orders for the year 1924-25.

Name of the Bank.		No. of members.	Paid-up Share-Capital	Deposits Rs.	Loans disbursed.	Profit Rs.	Reserve Fund Rs.
Bodinaickanur	...	352	30,952	12,946	53,035	1,888	1,255
Cumbum	...	201	11,757	10,896	37,210	1,429	592
Thevaram	...	246	14,294	6,000	20,495	2,000	500
Kombai	...		figures not	yet	available.		

2. With Co-operative Banks to finance them for cultivation expenses and for the holding up of produce and an association to pool and market their produce, the cardamom planters have not only been able to increase their yield in spite of adverse seasons but also to get better prices. To what large extent the planters have derived benefit by organising themselves in the aforesaid manner will be borne out by the subjoined figures.

Travancore Cardamom Planters' Association.

Head Office: Bodinaickanur.

Year.			Quantity of cardamom sold through the Association.	Value realized. Rs.	Average price fetched per Thulam of 816 Rupees Weight.		
			Thulams.		Rs.	A.	P.
1921-22	...	...	60,000	12,60,000	21	0	0
1922-23	...	...	45,000	17,32,500	38	8	0
1923-24	...	...	45,000	22,27,500	[illegible]	[illegible]	0
1924-25	...	...	31,000	25,24,000	[illegible]	12	0
1925-26	...	...	85,000	37,00,000	[illegible]	8	0

3. There is yet tug-of war going on between the cardamom producers and the Bombay merchants; and the former still feel that they are being exploited by the latter, with a view to enable them to dispose of their produce to

the best advantage and to eliminate middle-men's profits as much as possible, the cardamom planters have now approached the Director of Industries, Madras, for information as to the countries to which and the agency through which cardamom is exported, the several uses to which the article is put to either in its raw state or as finished products, and if latter, what those finished products are and how they should be manufactured. Any information on these and kindred points, which the readers of this Journal may furnish, will be thankfully received by cardamom planters.

* * * * *

Admission into the Agricultural College, Coimbatore.

In connection with the notice published in the papers by the Principal of the Agricultural College, Coimbatore, calling for applications for admission to the B.Sc. (Ag.) Degree course, it will be worth while to invite the attention of qualified candidates and their parents to the following resolutions of the 14th Madras Provincial Co-operative Conference.

" Resolved that Government be pleased to direct future vacancies in the several grades in the Co-operative Department to be filled up by men who had taken Degrees of College of Agriculture (such as B.Sc. S. and L. A. G. S.) who-may be given a suitable Co-operative training.

" That with a view to make future entrants to Co-operative Service to be qualified to be better Co-operative Officers, a course of instruction in Co-operative literature, Banking and Rural Economy be included in the curriculam of studies in the Agricultural College."

The resolutions having been previously passed, by a Subjects Committee after a detailed discussion, in which the Director of Agriculture and the Registrar of Co-operative Societies took part, it is likely that they will be commended for the favourable consideration of Government if it has not already been done. If the Government should approve of the resolutions, there will be created an opening of a very large field for employment for Agricultural Graduates. With a view to attract better types of students and in larger numbers for admission during the current year, the Hon'ble the Development Minister will perhaps do well to announce to the public as quickly as possible the approval by the Government of the resolutions or the possibility of their approval.

MADURA,
11th June 1926.

G. SRINIVASARAGHAVACHARI,
Retired Deputy Collector and
Assistant Registrar of Co-operative Societies.

NOTES AND NEWS.

Ourselves.

The present number begins the eighteenth volume of the bulletin. It is better we take stock of the situation in the Co-operative Movement, which would indicate its growth and requirements. The expansion of the movement on the one side and the growing consciousness of Co-operative Institutions on the other threw on them a large responsibility. The number of credit societies is increasing year by year. Unions have been formed in large numbers not because they can bear the responsibility of supervision but to train them for it. The re-organisation of the department coupled with the appointment of a Joint Registrar have released the Upper Controlling Staff for investigating schemes of Crop Finance, the marketing of agricultural produce and organisation of rural labour. Central Banks have gained the increasing confidence of the public and are suffering from plethora of funds. District Federations have been brought into existence. Audit Unions have been formed for the conduct of efficient concurrent audit by the non-official agency. With all this expansion, the department has practically withdrawn from collection work.

The expansion policy has also brought with it certain evils which require not a little effort for their rectification. The Audit staff found itself unequal to the task. Certain shortcuts were adopted for showing more profit in societies and reducing overdues. The weakness of non-official rural leadership was exposed. And some sharp points of difference arose between the officials and the non-officials regarding the relationship and functions of the several institutions. The clash of opinions and the exposition of defects, though seemingly unpleasant, must produce a reaction on official and non-official views tending to the healthy growth of the movement.

The year just now passed also saw a growing consciousness among the co-operators to put things in order. The reformation of bad societies was found impossible without an individual examination of the cases of overdues. Central Banks began to bestir themselves to assist the local unions in the work of supervision. The expansion of non-credit societies increased the responsibility of Central Banks to make a full investigation of the possibilities of success of every new venture. Increase in loans on the pledge of produce has infused a new spirit in panchayats and local unions of the larger purpose of the movement. District Federations are doing their part in leavening the local unions. Central Banks have begun to feel their responsibility in the movement, and the growing sense of co-ordination among them has resulted in their recent conference in May. The evils of expansion had the virtue of bestirring both the officials and the non-officials in eradicating the movement of its serious defects, the former by bestowing more attention to audit, and the latter, to supervision. The anxiety and earnestness of co-operators to reform the movement of its ills and put it in sound order are evident in the resolutions passed by them at the recent conference. They clearly demonstrate the functions of the several institutions and enjoin on them to discharge their duties "without loss of time." Overhauling of bad societies and reorganisation of the unions by the Central Banks and District Federations on a large basis, promotion of Consumers' Movement, a larger co-ordination of work among the supervisory and financing agencies, the conduct of concurrent audit by urban and Central Banks, and the speedier introduction of Land Mortgage Banks, these form the programme of the year, as formulated by the recent conference. The policy of the Bulletin shall always be to adhere to and promote in all ways the programme outlined above.

The execution of the programme is no easy task and will tax the energies of the official and the non-official agencies. As we said at the beginning, expansion of the movement and the growing consciousness of co-operative institutions will always bring with them complicated questions which would require a clear understanding of the goal, sound judgment, strong leadership and a great deal of tact for their solution. The task of the Provincial Union is indeed difficult in these circumstances. It would be impossible to steer clear of difference of opinion when the P. C. U. has to propagate first principles in a vast movement wherein conflicting interests have to be reconciled. The task of publicity of defects which forms the bedrock of the co-operative movement is an unpleasant one but the P. C. U. will not flinch from it if occasion demands it. Enthusiasm for the cause and a knowledge of the working details for the sound progress of the movement will have to be spread incessantly so as to create a body of workers wedded to co-operation. The path of duty is clear, and the clearer it is, one feels also its limitations infinitely larger for the task. We pray for the co-operation of workers officials and non-officials as well as institutions in the cause for spreading the gospel of co-operation and planting it firmly on the soil of our Motherland.

The 14th Madras Provincial Conference.

The Conference recently held during the Easter week for three days may be said to be an epoch making one in the history of the Co-operative Movement in this Presidency. It was only a year ago that our Sister Magazine, "the Bombay Co-operative Quarterly", remarked about the Provincial Co-operative Conference in this Presidency that it devoted more attention to details of administration than questions of large policy and non-official control of the movement. Sir K. V. Reddy who presided over the last but one Conference also remarked in his concluding speech that co-operators were not devoting their attention to the larger problems of the movement and those of the ryots which ought to be considered in a Co-operative Conference. The President of the recent Conference, Dr. B. Pattabisitaramayya casually remarked that "we must learn to think in broad sweeps and wide curves." In the wake of these remarks, it is cheerful to note the "Hindu" commenting on the resolutions of the recent Conference that they took a broader view of the Co-operative Movement and considered problems vital to the material progress of the ryots. It is then from this standpoint, a standpoint so often emphasised by leaders and experienced thinkers, that the recent Conference is an epoch-making one.

For the first time in the history of the Provincial Conference, Co-operators have definitely outlined the ideals which should guide the movement. To quote the words of A. E. from his famous book "The National Being," "this magnetic power of attracting and absorbing to themselves the various rural activities which the properly constituted Co-operative Societies have, makes them develop rapidly, until in the course of a decade or a generation there is created a real, social organism where the members buy to-gether, manufacture together, market together, where finally, their entire interests are bound up with the interests of the community." It is in placing this large ideal of building up a rural civilisation based on brotherhood and equality that the recent Conference forms a true land-mark. The Conference has definitely affirmed that a Co-operative Society is not a mere instrument of social service for alleviating the sufferings of the poor, but an organization to serve all the economic needs of a village. Its function is to serve not merely the back streets and cheries, sometimes erring on the side of excessive credit for a set of people who cannot be easily redeemed under the present limitations of credit, but its functions are largely to help agriculture and other allied industries in a village. When once we view the Co-operative Society as the organization of agriculture for credit purposes, a number of problems arise which need an urgent solution.

The individual limit for loans can no longer be fixed at a very low figure with a view to prevent the absorption of larger credits by the influential few but should be so based as to serve the credit needs of all agriculturists. Facilities for marketing produce to the dearest market, more urgent in the case of many ryots than the mere distribution of credit, and the new policy recently initiated by the Department of lending on the pledge of produce, these would require a rapid development. Membership in the Society without being restricted to the most needy will have to be thrown open for all the inhabitants of the village. When once we thus extend our view of a credit organisation, we have consequently to extend our views of the functions of Local Unions and the District Banks. A Local Union should not merely be an agency for recommending loans to the District Bank, but serve as a Trade Union or as a Chamber of Commerce, for the agriculturist. It should be the Development Bureau of the area serving the organization of agriculture, planning new developments, and helping agriculturists in all ways. Similarly the District Bank should interest itself in all schemes of finance relating to the development of agriculture and allied industries. It should not merely concern itself with the mere credit operations of Co-operative Credit Societies as they exist at present, but should view the co-operative structure as a machinery for mobilising agriculturists and help in all ways, the organization of the agricultural occupation. It is in this view, of conducting credit transactions not merely as detached Banking but as a method of building up rural life that the resolution defining the scope of work of the several units of the Co-operative movement has been formulated and unanimously adopted at the recent Conference.

We quote below the resolution for the benefit of our readers.

(*a*) A Rural Credit Society should distribute Credit for all people in a village at all times and for all useful and productive purposes.

(*b*) The Local Union is the development association in each area which should maintain an adequate and efficient staff for the organization of the area for all credit and non-credit activities.

(*c*) The District Bank should finance rural Societies for agriculture and allied industries to the fullest extent so that all the labour connected with agriculture and other allied industries may join the movement.

The same outlook envisaging the Co-operative Society as the nucleus of the economic organisation of the village is conspicuous in many of the resolutions passed at the Conference. In a resolution urging upon the Provincial Co-operative Union and the Andhra Sammelanam to collect information and lead evidence before the coming Royal Commission on Agriculture, the Conference definitely emphasised the fact that Co-operation alone is the best method of organizing agriculture.

We do not mean to dilate here on the various problems which our Co-operators in the Districts will have to place before the coming Royal Commission. But one thing has to be emphasised and that is, that in a country of small holders, the very conduct of the agricultural occupation necessitates the introduction of the Co-operative machinery. Problems relating to the fragmentation of holdings, irrigation facilities, joint cultivation, purchase of common instruments of production, and the marketing of the produce, all these depend on the successful establishment of the Co-operative organisation among the ryots.

Let us take again the resolutions passed by the Conference regarding the constitution of Local Unions and District Federations. If Local Unions are to act as Development Associations for the Rural Societies, they will have to impress into their service the best available men in each area. It cannot afford to fondle with the logicality of a constitution while the latter cannot fully meet the needs. Many of our ills at present are due not so much to the ignorance and the illiteracy of the ryots as want of honest and strong leadership for their proper guidance. As remarked by Mr. M.L. Darling in his instructive and interesting book "Co-operation in Germany and Italy," "leadership postulates education and for this in India we have to a great extent to go to the town. Germany, in fact, has not hesitated to draw upon all classes for the qualities she required and much of her success may be attributed to this. In so Catholic a movement as Co-operation, this is undoubtedly the best policy. The problems of Co-operation are becoming increasingly complex and ultimately the best brains available, whether of town or country, will be required for their solution."

The progress of the country depends upon the close association of the educated classes and the masses and a large and responsible duty lies upon the former to enter into all those organisations where civic spirit, initiative, leadership and sound judgment are required. No doubt intelligence when yoked to bad ways may do out of self-interested motives more harm, and in consequence greater will be the reaction on the nation's progress, but like Goldsmith in his "Deserted Village", to associate all virtues with illiteracy and all vices with intelligence may tickle anti-materialists of the orthodox type (who always think of a golden age that existed), but viewing the question as a whole, any organisation in this country does depend to a large degree on the association of educated individuals who do supply the requisite strength and stamina to it. And is it not a short-sighted policy for Local Unions which have the large function of protecting agricultural interests in every area to deprive themselves of their right to select the best Co-operators for their executive work?

Under the present by-law of the Local Union, the General Body members are permitted to select any member of a Co-operative Society to be in its Governing Body. Such an elastic procedure for the election of the Executive facilitates the selection of the best available workers in an area for spreading the gospel of co-operation. It facilitates the election of one or more members from the headquarter Society of the Union. It facilitates the inclusion of the educated classes for giving the necessary stimulus to the work for organising it and administering it efficiently. These are the reasons that prompted the delegates in passing a resolution urging upon Local Unions not to restrict in any manner their field of choice for the election of the best co-operators to the Governing Body.

The same broad outlook of conceiving the co-operative organisation as the true social organism for the building up of the Rural Community is noteworthy in the resolution passed by the Conference on the constitution of District Federations. This subject evoked the most animated discussion for full three hours. The question was raised whether a Central Bank might as well undertake the functions of a District Federation. The starting of District Federations was also opposed by some delegates on the ground that Unions disliked to have a superior authority over them and District Banks felt that they were being deprived of certain functions. But finally, the larger sense prevailed, that there was a need for a District organisation which would be the radiating centre of all co-operative activities. There was the need for a Central Federation which would set up standards of Co-operative conduct, act as a deterrent against un-co-operative actions, render common services, advise on common matters, formulate new schemes, consolidate existing developments and thus steadily press towards the goal of the establishment of a Co-operative commonwealth. The fact was realized by the delegates that even though at the present stage of the movement the District Bank played a dominant part in the working of the Co-operative movement, it was after all a part of the co-operative machinery engaged in banking operations and could not, in the very nature of things, absorb functions relating to the conduct of rural societies which a Federation of their own alone would be able to discharge effectively in the long run. It was also insisted by the delegates that, if the District Federations were to function for the larger purposes of surveying the economic condition of the ryots and proposing schemes of improvement, then scope should be given in the constitution for the inclusion of the best individuals interested in the development of agriculture and those in the District Bank as well. The Conference insisted for a reasonable representation of all non-credit types of societies in the membership as they alone would be the best-fitted to advise the Department on the different forms of co-operation other than credit. We are happy to note that the recent Conference at South Arcot has passed a resolution urging on the District Federation of that District that it should so alter its by-laws as to provide for the membership of non-credit societies.

We would like to make a reference to one or two more resolutions passed at the Conference which indicate the interest evinced by the delegates in the larger problems of expansion of the movement. Recognising the close interrelation of the departments of agriculture and co-operation, recognising also the difficulty of propagating the latest improvements in agriculture through a set of officers not charged with the duty of utilizing the Co-operative method, and the similar difficulty of spreading Co-operative organisation among the ryots through another set of officers not having an elementary knowledge of agriculture, the Conference passed two resolutions, the one asking for the future recruitment of the Deputy Registrars from those who have taken degrees in the College of Agriculture, and the other requesting the Government to provide in the Agricultural College for courses in banking, rural economics and co-operation. Another resolution of the Conference requested the Government that with a view to improve agriculture, intensive work should be undertaken by the demonstrator at least in one Union area within his jurisdiction.

The subject of overdues, which has been attracting public attention during recent years, has driven home a very effective lesson in the minds of our co-operators that credit work has its own limitations and unless alongside with the distribution of credit the productive power of the ryot is increased, credit can help to very little extent, and where it helps him, may run the societies into overdues. The more one works in the credit side, the more he will be able to realise that there are other factors and other conditions which need an immediate solution before a fertile soil is created for the growth of the credit movement. No wonder that the co-operators having first begun with credit societies and lending, should have felt and resolved at the recent Conference that a Co-operative Society should take up in the interest of its very business, other functions as encouragement of subsidiary occupations with a view to increase the earning capacity of the ryot.

With a view to develop short-term credit for the financing of the production of various agricultural crops, the conference has also resolved that loans should be given by Central Banks to societies to double their maximum borrowing power, provided the excess credit is distributed to the members on the pledge of produce. One important resolution of the Conference asked for a Committee of Enquiry to survey the working of the movement as a whole and suggest lines of future development. A decade has passed since the appointment of the Maclagan Committee by the Government of India and the movement has developed in many various directions, taken various forms and created a number of problems which could not tolerate any delay in their solution. These various resolutions do show the catholic outlook of co-operators brought to bear on the subjects of the Conference, and the formulation of a programme which, not being entangled in the narrow circle of details unrelated to the goal, proclaims the ideal of the movement, and points the way towards it.

Another noteworthy feature of the recent Provincial Conference is the clear demarcation of functions one finds in the resolutions. The position and relation of the supervisory, financial, and official units of the movement are splendidly co-ordinated in the resolutions. While the P.C.U. and the M.C.U.B. are asked to act as the recognised heads of the movement and similarly the District Banks and the District Federations in the Districts under the resolutions dealing with non-statutary matters, departmental assistance is sought for, till these institutions earn a moral power by long association and persevering work in the movement. The need for the final approval of the Registrar in certain matters as the appointment of trained Supervisors is recognised in the resolution. Expert guidance is sought from the Department by urging on them to appoint in future in the higher staff those having a knowledge of agriculture, banking, and rural economics. Again, at the present stage of the movement, efficient audit is sought from the hands of the Department, and this will be evident from the resolutions on audit. Along with the clear definition of the scope of departmental functions, the Conference has also urged on co-operative institutions to undertake those large responsibilities that lie before them. The functions of a rural society, the Local Union, and the District Bank have been well described. A programme of work for the Central Banks asking them to encourage rural industries, extend liberal credit on the pledge of produce, appoint a special staff for overhauling bad societies, and grant extensions in deserving cases, has been outlined by the Conference, Local Unions and District Federations are to undertake rural training classes without loss of time. Concurrent audit is to be arranged among themselves by Urban and Central Banks. Neither has the Conference been slow to press on the Government the

abolition of those institutions as administrative inspectors and H. A. R's, which they have either outgrown, or are found effete and clog future progress. The goal is defined, the relations of the three units in the movement are demarcated and the work to be done is chalked out. It lies on the institutions concerned to begin the task in right earnest and thus broaden their activities from precedent to precedent. What the Conference has been most anxious about is not the reiteration of the goal but the formulation of steps towards it. If responsibility is to be instilled in the societies, nothing by way of organisation of credit or non-credit societies, or advice on matters of policy or assistance towards administration, should be undertaken by the Department without consulting the institutions concerned. Secondly, with a view to build up a healthy tradition and convention among the societies, the smaller bodies should always be approached by the Department through the larger federations. All growth implies some food, some material for assimilation into the system. And where growth requires the co-ordination of all parts related to a unitary system, the relation of the parts to the whole should be well maintained for the achievement of harmonious development. The point is made emphatically clear in the resolution passed at the Conference which we quote below: "This Conference emphasises the principle that for the training of non-official organisations, no non-statutary function shall be undertaken by the Department Officers without consulting the co-operative institutions concerned. It also emphasises the principle that the building of healthy tradition and discipline is possible only when the departmental officers scrupulously observe the convention that they shall not either correspond with or carry on propaganda as regards non-statutary matters relating to societies which are affiliated to the larger bodies, except through the latter."

Even though the scope of work of the Unions, Central Banks, District Federations, the P.C.U. and the M.C.U.B. has been defined, difficulties will arise in its due discharge by the concerned institutions To facilitate the smooth working of the movement, the larger body might have to undertake work relating to the smaller bodies. Sufficient time must be given to the latter to improve their condition and if they are unable to do so owing to reasons obvious to co-operators, a larger duty falls on the Union, the Central Bank and so on, to enter into the field, to educate the smaller institutions, and set a model to them for future guidance. They should set themselves to this task in all earnestness and any problems that may arise owing to the larger body entering into the work and setting things right should be faced by co-operators. If there are constitutional defects which crop up obstructing the free rendering of service by the larger body, they shall be rectified. It is only in this manner that the several institutions in the movement can be well knit together.

We would here like to summarise for the benefit of our readers the principles and the policy enunciated at the recent Conference that should guide the movement at the present stage.

The control and the regulation of the movement is to be under-taken by the Provincial Union and the District Federations in all non-financial matters, and by the M C.U.B. and the District Banks in all financial matters. Central Banks should take up the work of overhauling bad societies and putting District Federations in order. Supervisors are to be trained by the Provincial Union while their appointment rests either with the District Federation or the Local Union. Efficient audit is to be undertaken by the Department by employing trained auditors and expert guidance is to be given by them by recruiting specialists in agriculture, banking, and rural economy. The power of final approval might rest with the Registrar in important matters of control of the movement till the non-official institutions gain in strength. But such a work shall not be undertaken by the Department except through the larger Federations concerned, with a view to establish a healthy tradition and discipline among them. This is the policy outlined by the recent Conference which we would ask our co-operators to bear in mind in the relationship they should maintain towards the several units in the movement.

The Provincial Union will be guided by this policy in the views it expresses on the several questions which crop up from day to day. We feel and believe that nothing will conduce to our solidarity and the formation of healthy conventions as a strict regard and rigid adherence to the resolutions passed by co-operators assembled in large numbers from different Districts. If we have committed any mistake in arriving at a sound judgment, the way lies on the part of those who think that we have erred, not in asking the constituent bodies to go against them, but in promoting a constitutional sense to have them considered at the next conference. The problem of human progress is mainly that of mutual adjustments between man and man. The more we are able to develop a keen imagination to understand the view points of others, the more we train ourselves in the task of reconciling conflicting interests, personal ambitions and inequalities of the head and heart, not by appealing to lower passions and baser sentiments but by a steady insistence on the larger ideals of the movement, which can be practised under the existing conditions, the quicker will be our progress towards the fulfilment of the larger purpose of evolving the solidarity of humanity. We only pray for that

divine patience and imagination to abide by those sound judgments of a large body of people who come together to give their best thoughts and arrive at a conclusion satisfactory to the varying interests in the movement. That way lies the building up of public life; that way lies the slow raising of it from its lower levels to the higher. Economic interests, of all other interests, being the nearest to humanity, and co-operation being the only method of building up rural life in a country of small holders, no other movement possesses those vast potentialities of achieving national solidarity than the co-operative movement. If only we understand the simple truth that everyone should help in a large movement as this, either as a member of the executive or the general body to arrive at a common decision and having arrived at it should scrupulously carry it out giving it that intense loyalty which is its due, if only we evince the civic spirit to act in true unison, in no long time the progress of the movement in healthy national lines is assured for us.

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Central Banks' Conference (8th May 1926).

The recent conference of central banks convened by the M. C. U. B. on 8th May forms an important stage in the progress of the Co-operative Movement. Co-operators are aware that these conferences were held by the Registrar under his auspices and whatever might be the justification for the Registrar's auspices in the early beginnings of the Movement, it is but legitimate that central banks with the increasing expansion of the movement should consider their problems in their own meetings held under the auspices of the Apex Bank. It is noteworthy that this happy consummation was achieved with the co-operation of the Registrar and the Central Banks. Dr. Swaminathan, the President of the M. C. U. B., in proposing the vote of thanks conveyed the opinion of the Registrar that the conference was a success. In fact, the Registrar himself passed on the subjects pending with him in connection with the conferences held by him to be considered by the first Conference of Central Banks. Co-operators should have known by this time that Central Banks were equally interested in holding conferences of their own. And we cannot but thank Rao Saheb Mr. T. Sreenivasa Rau but for whose steady work in the matter the conference would never have been called. As early as 1924, he influenced the Provincial Union to inaugurate a conference of Central Banks. In spite of the desire of the Provincial Union to continue such conferences, it could not do so, as it had to tack on such conferences to those of the Board of Management of the M. C. U. B. and the Registrar. It was also felt by the Provincial Union that the demarcation of functions of the two apex bodies should be well defined and the proper place for the consideration of financial questions was the M. C. U. B. Meanwhile Dr. Pattabhisitaramayya arranged for a conference of Central Banks in the Andhra Province at Peddapur in February last. And this conference requested the M. C. U. B. to make the necessary arrangements for holding periodical conferences of central banks. The secretary of the M. C. U. B. took immediate action on the same. The Salem Conference which followed next in February urged on the importance of holding such conferences. The recent Provincial Conference resolved that the M. C. U. B. should co-ordinate and regulate the working of the central banks in the Presidency. Growing public opinion on the one side, and the co-operation of the Registrar in the de-officialisation of such conferences, the keen interest evinced by leading co-operators in the matter, and the earnestness of the M. C. U. B. in bringing into operation a machinery for co-ordinating activities, exchanging notes and toning up the movement have all conspired to bring into operation a healthy organisation whose potentialities in furthering the progress of the movement are untold.

A glimpse into the subjects discussed at the meeting will convince anyone of the importance of such Conferences in setting up a higher standard of efficiency to be followed by central banks. One of the main questions discussed by the Conference was the subject of overdues. Dr. Pattabhi, as president of the Conference, explained that the position was not one for alarm though it required immediate reform. The awkward fact in the movement which scared as the skeleton in the cupboard was the overdues on the one side, and large surpluses in the financing banks on the other. The resolution passed by the Conference entailed larger duties on the part of central banks, but duties which are legitimate and inherent in them as financing banks and which, when performed, would greatly accelerate the progress of rural societies. The resolution frankly recognised the place of local unions in inspecting and supervising societies but asked central banks to assist them in the work. It recognised that central banks could not restrict themselves to a mere inspection of societies in a general manner but should undertake in the present situation of the movement an individual examination of overdue cases. Its inspection should not take the form of merely seeing whether its assets are safe but include an examination of the assets of the society, namely, the soundness of members' bonds and sureties. The resolution asked the central banks not merely to confine their work to posting themselves with information on the condition of the societies but to take steps for their improvement in 3 ways, namely, (1) grant of extensions, (2) reorganisation of the societies, and (3) reorganisation of the Union, and with

this end in view, has recommended the appointment of an inspecting staff. It is fortunate that for the first time in the history of Central Banks, they have resolved to undertake duties legitimately their own.

The position of central banks can be decribed no better than in the words of Dr. Pattabhi himself at the recent Provincial Conference. "It is the central bank which is the financial fountain. It contributes to the supervision fund of the unions but has virtually no voice in the ordering of supervision. It maintains no supervisors of its own and is lost for decision between the Inspectors of the Department, the supervisors of the Union, its secretary and President, the Assistant Registrar and the anonymous letter writer. At present the Central Bank is more like a treasurer who pays unquestioningly to the order of a secretary. The union passes the loan, the Assistant Registrar recommends it where the union is not 'independent' and the Board of the Central Bank simply registers it in ninety-nine cases out of a hundred and simply pays. A feeling of helplessness on the one hand and irresponsibility on the other develops in the existing central banks. There is also the sense of security engendered by the fact that the high paid Government Officer has recommended and that is taken as equivalent to the office having taken the responsibility for the loan. Would we not much rather throw the central bank on its own resources and cultivate in it a sense of real responsibility?

Really the first step has been taken in reforming the present state of things in the resolution passed by the Conference. And the resolution gains added force owing to the fact that the Registrar definitely declared at the Conference that "barring 27 Inspectors, his staff is not meant for collection purposes but only for purposes of audit and other statutory duties."

That declaration signifies a great deal. At the outset, we should thank the Registrar for this new policy, for it really compels the Co-operative institutions to make their own arrangements regarding collections. Because in the early stages of the movement, the Department was devoting considerable attention to collection work, which in its turn meant an intense supervision of the affairs of the society, individuals were tempted to come in largely into Central Banks. When again inspection work was delegated to unions and Central Banks consented to pay a rebate for the work of collection, it was in the hope that the local unions would be supervised and improved by the Department. Our object is not to declaim the latter for multiplying the societies and unions without a due arrangement for their training and for suddenly withdrawing from the work of collections. The fact is there, that there are societies and unions hastily organised and wanting in personnel and leadership. Credit is a universal need and the formation of credit societies cannot be considered as artificial. The main difficulty arises owing to obstructs by objection in court or in any other way the filing, enforcement of execution of any award given under these bylaws, he will pay such penalty not exceeding one hundred rupees as the Managing Comittee may assess subject to appeal to the general meeting or the Registrar as provided in by-law 36.

9. A member may withdraw from membership with the consent of the Managing Committee provided firstly that he has given at least months notice of withdrawal, secondly that there are no debts due from him to the society and thirdly that he is not a party to any pending dispute for the settlement of which these by laws provide.

10. Should a member cease to be eligible for membership either on account of the removal of his residence from the limits prescribed in by-law 1 or for any other cause, the society shall remove his name from the list of members.

11. If a member dies, his membership shall *ipzo facto* cease.

12. (1) A past member shall be liable as provided in by-law 3 for the debts due by the society as they existed on the date when he ceased to be a member for a period of two years from such date.

(2) The estate of a deceased member shall be liable as provided in by-law 3 for the debts due by the society as they existed on the date of his decease for a period of one year after his decease.

Funds.

13. The funds of the society shall consist of (1) entrance and other fees (2) fines and penalties, (3) annual subscription, (4) deposits and loans, if any, and (5) other items.

14. The funds of the society may be devoted to the promotion of the stated objects of the society.

15. The Managing Committee shall be authorized to levy from every member an annual subscription on a scale prescribed by the general body at its annual meeting to meet the expenses of the society. The Managing Committee shall also have power to levy a special subscription at a rate fixed by them on account of the defence of any vexatious litigation.

16. It shall be comptetent to the Managing Committee to borrow money either in the shape of deposits or otherwise as a temporary measure if at any time the income of the society is not sufficient to meet the expenditure. The money so borrowed shall be the first charge on the income subsequently realized. The borrowings of the society thus raised shall not at any time exceed the total subscribed share capital.

Management.

17. Subject to such resolutions as the general body may from time to time pass, the executive management of the affairs of the society shall vest in a Managing Committee consisting of not more than members.

18. The members of the Managing Committee shall be elected by the general body for a period of one year from among themselves. Members of the Managing Committee shall continue in office, after the expiry of their term of

office until by election another Committee is constituted. A retiring member of the Committee shall be eligible for re-election. After the Managing Committee is elected by general body, they shall elect from among themselves a President, a Secretary and an Assistant Secretary. Interim vacancies on the Managing Committee may be filled up by the remaining members of the Committee by co-optation for the unexpired portion of the period. Any member or members of the Managing Committee may at any time be removed by a resolution of the general body.

No legal practitioner or the servants, employee or the agent of a legal practitioner shall be chosen as a member of the Managing Committee.

18. (a) A member of the Managing Commiitee shall cease to hold office if he--

(1) ceases to be a member of the society;

(2) is an undischarged insolvent:

(3) is convicted of any offence in cirumstances showing, in the opinion of the Managing Committee, that he is dishonest or is imprisoned for a period of three months or longer;

(4) holds any office or place of profit under, or receives any honorarium from the society;

(5) becomes a legal practitioner, or the servant, employee or agent of a legal practitioner.

19. The Managing Committee shall meet once a fortnight or oftener, if necessary, to conduct the affairs of the society. No decision of the Managing Committee shall be valid unless it is assented to by at least members. All questions before the Managing Committee shall be decided by a majority of votes. Should there be an equality of votes, the President or other presiding member shall have a casting vote. No member of the Managing Committee shall be present at a meeting of the Managing Committee when any matter in which he is personally interested is being discussed. In case of urgency where there may not be sufficient time to convene a meeting of the Managing Committee, and in all cases in which such a procedure may from time to time be prescribed by the Managing Committee, the Secretary may obtain the orders of the Managing Committee by circulation of papers among the members present at the headquarters of the society. Such decisions arrived at by circulation shall be placed before the next meeting of the Managing Committee for their ratification. Should a difference of opinion arise in the coarse of such circulation, the matter shall not be decided by circulation but shall be placed before a meeting of the Managing Committee.

20. Should a member of the Managing Committee absent himself from four consecutive meetings of the Committee, he shall cease to be a member of the Managing Committee but may be reinstated by the Managing Committee.

21. Subject to such resolutions as the Managing Committee may from time to time pass, the several officers of the society shall have the powers mentioned below :—

(a) The President shall have a general control over all the affairs of the society and shall ex-officio be the treasurer and shall have the custody of all the properties of the society. He shall also have power to appoint the members of the establishment as well as to fine, suspend or disimiss them subject in the last two cases to the approval of the Managing Committee.

(b) The Secretary shall be responsible for the executive administration of the society subject to the control of the President.

(c) The Secretary/President shall be the officer to sue or be sued on behalf of the society and all bonds in favour of the society shall be in the name of the Secretary/President.

(d) The Assistant Secretary shall help the Secretary. Should the Secretary or the Assistant Secretary require relief from work, it shall be competent to the President to grant such relief, making suitable arrangements for the conduct of work by one or more members of the Managing Committee.

22. Receipts shall be issued for all moneys paid to the society. For moneys paid by members the receipt shall be signed by the President or the Secretary or the Assistant Secretary whoever is selected by the Managing Committee to discharge this function. In the case of borrowing from non-members or from other societies the receipt or bond shall be executed by at least members of the Managing Committee of whom the Secretary or the President shall be one.

23. It shall be the duty of the Managing Committee to maintain such accounts and registers as are prescribed by rule VII of the rules under the Act and by the Registrar from time to time, to place before a general body meeting of the members the Registrar's notes of audit or inspection within one month from the date of receipt, to correspond with the Registrar and do all other business relating to the society.

24. The Managing Committee have power to prescribe from time to time the scale of office establishment and to incur such expenditure as may be necessary for the management of the society with reference to the scale and within the budget allotment sanctioned by the general body for each year. It shall be competent to the Secretary to incur petty contingent expenditure subject to a maximum of Re. 1 for any item.

25. The Managing Committee shall be competent to fix the amount and the nature of the security, if any, to be given by the office establishment.

26. It shall be competent to the Managing Committee to frame subsidiary by-laws for the conduct of the business of the society consistent with the Act, the rules under the Act and these by-laws. Such subsidiary by-laws shall be entered in the minute book of the society and they shall be reported to the Registrar of Co-operative Societies for approval.

27. The services of the Managing Committee shall be gratuitous.

28. All business discussed or decided at a meeting of the Managing Committee shall be recorded in a proceedings book which shall be signed by the President and all members of the Managing Committee present.

General Body

29. The ultimate authority in all matters relating to the administration of the society shall be the general body of the members who shall meet from time to time and at least once a year to conduct the work of the society. The following among other matters shall be dealt with by the general body :—

(1) The election and removal of the members of the Managing Committee.

(2) The election once a year of panel of arbitrators as described in by-law No. 40.

(3) The annual report due to the Registrar of Co-operative Societies,

(4) The Registrar's annual audit order,

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

(6) The expulsion of a member,

(7) The consideration of any complaint which any individual member may prefer against the Managing Committee,

(8) The returns that may be prescribed by the Local Government

(9) The rate of annual subscription to be paid by members when necessary, and

(10) The levy of any special subscription to meet expenses incurred in the defence of a vexatious litigation.

30. A meeting of the general body of the members may be convened whenever necessary for the conduct of the business by the Managing Committee and shall be so convened by the Managing Committee at the request of 15 or more members or at the instance of the Registrar.

31. It shall be the duty of every member to attend the meetings of the general body. The quorum for a general body meeting shall be or one-fourth of the total number of members on the list at the time whichever is less.

32. The President when present shall preside at the meetings of the general body. In his absence the body may choose a chairman from their number to preside at the meeting. 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. When votes are equal, the chairman of the meeting shall have a casting vote.

33. days' notice shall ordinarily be given to members before a meeting of the general body is convened.

34. If a member deceives the society in any way or does any act which in the opinion of the general body is dishonest or contrary to the stated objects of the society or to the interest of co-operation, such as intentionally instituting false cases or distorting the facts of a case in order to have it tried in a court of law instead of referring it to arbitration or refusing to accept a decision of the Managing Committee or general meeting or an award made under the provisions of these by-laws or if his general conduct is such as to render his removal

necessary in the interest of the society, it shall be open to the general body to expel such member. An expelled member shall be paid all moneys due to him from the society, after deducting therefrom any money due from him to the society. A member who drives the society to court to recover the money due from him shall for that reason be expelled from membership. An expelled member shall be liable as provided in by-law 3, for the debts due by the society as they stood on the date of his expulsion for a period of two years after such expulsion.

Business of the Society.

35. Every member of the society shall be deemed to have entered into an agreement with all the members of the society to refer to the Managing Committee for settlement or for reference to arbitration every dispute on any of the subjects set forth in the schedule attached to these by-laws in which he may be involved with any other member of the society and in default to pay such penalty not exceeding one hundred rupees as the Managing Committee may impose upon him.

36. Any member who is aggrieved by an order of the Managing Committee imposing a penalty under the provisions of by-law 35 may, after depositing the amount of such penalty with the ex-officio treasurer, appeal to the next general meeting or refer the matter to the Registrar as a dispute between the Managing Committee and himself. The Registrar may thereupon proceed to decide the dispute and give an award or to refer it to arbitration. If the member elects to appeal to the general meeting, the decision of the general meeting shall be final.

37. Notwithstanding anything contained in by-law 35, a member may, with the previous consent of the Managing Committee duly recorded in the proceedings book of the society, institute a suit or make a complaint in a court of law concerning a dispute on any subject mentioned in the schedule attached to these by-laws or enter an objection against the filing, enforcement, or execution of an award under the second schedule of the Code of Civil Procedure, 1908.

38. Notwithstanding anything contained in by-law 35, a member may, without the consent of the Managing Committee, institute a suit or make a complaint in a court of law concerning a dispute on any subject mentioned in the schedule attached to these by-laws, or enter an objection against the filing, enforcement, or execution of the award under the second schedule of the Code of Civil Procedure, if before taking such action he reports his intention to the President and Secretary of the society and pays such penalty not exceeding one hundred rupees as the Managing Committee, subject to approval as provided in by-law 3 6, may assess.

39. "Dispute" for the purpose of the by-laws following except by-law 64, shall include every difference between members relating to the matters mentioned in the attached schedule which under the law for the time being in force may be the subject of proceedings in a Civil Court including claims for compensation rising out of criminal offences,

The Panel of Arbitrators.

40. Once a year at a meeting of the general body of members to be held in the month of , or as soon after as may be, a panel of trustworthy men shall be elected from whom arbitrators may be chosen as prescribed in by-laws 48 and 47 provided that no such election shall be held unless at least half the number of members of the society are present.

41. The panel shall consist of not less than 5 and not more than 12 men.

42. Whenever a vacancy occurs in a panel, if less than three members remain, the vacancy shall be filled by election of a member at a meeting of the general body of members to be held as soon as may be after the vacancy occurs. If there are three or more members of the panel remaining, the vacancy may be filled at a meeting of the general body of members held at any time during the year for which the panel was elected.

43. (1) A member elected to a panel shall cease to be a member therof if he—

(*a*) is an undischarged insolvent ;

(*b*) is convinced of any offence in cirumstances showing in the opinion of the Managing Committee, that he is dishonest, or is imprisoned for a period of three months or longer ;

(*c*) holds any office or place of profit under, or receives any honorarium from, the society ; or

(*d*) becomes a legal practitioner or the servant, employee or agent of a legal practitioner.

(2) Subject to the provisions of clause (1) a member elected to a panel shall continue to be a member thereof until a new panel is elected in accordance with by-law 40.

Appointment of Arbitrators.

44. Any party to a dispute may apply in writing to the President or Secretary of the Managing Committee for settlement of the dispute.

45. The Managing Committee may, for the purpose of settling a dispute, call upon any party to the dispute to appear before them and shall give reasonable notice of the time and place appointed for such appearance.

46. If the Managing Committe fail to settle the dispute by conciliation within one month from the date of the application they shall call upon the parties to refer it to arbitration in the manner hereinafter described in these by-laws.

47. (1) The parties called upon to settle their disputes under the provisions of by-law 46 shall, unless they settle it privately, sign an agreement to refer it for arbitration either to one arbitrator who shall be a member of the panel described in by-law 40 or to three arbitrators for decision according to the provisions of the by-laws and the dispute shall be decided by the arbitrator or arbitrators accordingly.

(2) Such agreement shall be in the form appended to these by-laws.

48. (1) If the parties agree to refer their dispute to three arbitrators, the arbitrators shall be appointed as follows :—

(2) Each party shall appoint an arbitrator, and the third shall be appointed by the Managing Committee from among the members of the panel. No person other than a member of the panel shall be appointed to be arbitrator by a party without the consent of the opposite party and of the Managing Committee. Each party shall be entitled to challenge any member of the panel nominated by the Managing Committee but if all the members of the panel are challenged in turn, the Managing Committee shall nominate the member they consider to be most suitable, and such nomination shall be final.

49. If under by-law 48 either party fail to appoint his arbitrator within 15 days, the Managing Committee may appoint one of the members of the panel to be an arbitrator.

50. All disputes to which the Managing Committee is itself a party, shall be referred to the Registrar as provided in the rules notified by the Local Government and in by-law 64.

51. No appeal lies from the decision of an arbitrator or arbitrators under these by-laws except as provided for in the Civil Procedure Code.

Powers and Duties of Arbitrators.

52. In all arbitration proceedings the Managing Committee or arbitrator shall have power to administer oaths, to require the attendance of the parties and the witnesses, and to require the production of all the necessary books and documents by a summons delivered orally or sent by hand or by registered post, and shall further have power to order the expenses of determining the dipute to be paid to such party or parties to the dispute as he may think fit.

53. The Managing Committee or arbitrator shall hear the evidence of the parties and witnesses who attend and after consideration of that evidence and documentary evidence produced by either side shall give a decision or award in accordance with justice, equity and good conscience, which shall be reduced to writing. In the absence at any time and place of any party duly summoned to attend at the time and place the dispute may be decided against him in default. Where three arbitrators are appointed the opinion of the majority shall prevail. The award shall state by whom the fee prescribed in by-law 66 shall be paid and may apportion the payment thereof between the persons benefiting under the award.

54. Any person duly summoned by the Managing Committee or an arbitrator to appear before him or to produce any document and failing to do so shall be liable to the penalties described in paragraph 7 (2) of the second schedule of the Code of Civil Procedure, 1908.

55. Evidence must be heard in the presence of both parties and no party shall be examined except in the presence of the opposite party.

56. If a party after being duly informed of the date of hearing keeps back his evidence or fails to attend on that date when called upon, the case shall proceed in his absence provided that the party has been duly warned that the proceedings will not be delayed on account of his absence.

57. The advice of others may be sought on difficult points but this should be done in the presence of both parties whenever possible. With the sanction of the Managing Committee the Arbitrator or arbitrators may by reference in writing appoint any person as a commissioner to report on question requiring an examination of accounts or of records of Government or of a local body but shall not be bound by his decision.

58. In proceedings before an arbitrator or arbitrators or the Managing Committee or a commission appointed by the arbitrators to hear evidence no party shall be represented by a legal practitioner, nor may a legal practitioner be nominated as arbitrator by any party; but the Managing Committee or with the previous sanction of the Managing Committee, an arbitrator may, by reference in writing, appoint a legal practitioner as a commissioner on stated questions of law, or on questions of fact which call for an examination of official records or records of a local authority, provided that nothing in this by-law shall bind the Managing Committee to accept the decision of such commissioner.

Execution.

59. The award shall be delivered to the President or Secretary of the Managing Committee and a copy of it to the party or parties in whose favour it decides. If desired a copy shall also be given to any other party interested.

60. An award given under these by-laws shall be final and application may be made to a court under paragragph 20 ofthe second schedule to the Code of Civil Procedure to have it filed.

Miscellaneous.

61. No amendment to or alteration in or cancellation of a by-law nor the enactment of a new by-law shall be made except at a general meeting of the members or shall take effect until it shall have been approved by the Registrar.

62. Should any doubt arise as to the construction of the Act or any by-law, the Managing Committee shall refer the same to the Registrar of Co-operative Societies for advice and act according to his advice.

63. Within 15 days after the close of the Co-operative year ending 30th June the society shall prepare (1) a statement showing the receipts and disbursements during the past year, (2) a statement showing the assets and liabilities as they stood on the last day of such year, (3) a statement showing the profit and loss for the year, and (4) such other statements as may be prescribed by the Registrar. After the Registrar has verified these statements and granted his audit certificate, the society shall publish the statements in a manner approved of by the Registrar.

64. Disputes concerning the internal management of the society or the interpretation, application and enforcement of its by-laws or the liability, rights

and duties of members or past members or persons claiming through them of or the Managing Committee or any officer under the by-laws shall be referred to the Registrar, as provided in rule XIV of the rules.

65. All lawful expenses incurred in procuring documents or in taking such other measures as may be necessary for the settlement of disputes may be included in the award.

66. In addition to the expenses of the arbitration proceedings the society shall charge half per cent on any sum of money awarded to either party subject to a minimum charge of 8 annas. Such fee shall be calculated to the nearest anna and shall be paid by the person benefiting under the award provided that where any portion of such amount is not recovered the Managing Committee may at its discretion remit the percentage levy on that portion unrecovered.

Agreement to Arbitrate.

We and

being members of the

Co-operative Arbitration Society hereby agree to submit to the decision of (1)

as arbitrator

or (2) nominated by me

and nominated by me

and nominated by the Managing Committee

the dispute which has arisen between us, being one of the matters included in the schedule attached to the by-laws of society, namely :—

(Subject of dispute).

We hereby authorize the noimnated arbitators to hear evidence in the exercise of their powers and the performance of their duties as such. This reference is made in accordance with the by-laws of the society endorsed on this form, and the dispute is to be decided in accordance with the by-laws of the society.

Signed

A REVIEW.

I

The 57th Annual Report of the Co-operative Congress, Southport, 1925 pp. 715. The Co-operative Union, Manchester.

This volume contains the Reports of the Central Board of the Co-operative Union for the Congress year 1924-25 ; a report of the 57th annual Co-operative Congress (of about 1700 deligates of Co-operative societies) held at Southport in June 1925 ; and the complete Co-operative statistics for the year 1924 compiled in the statistical department of the Co-operative Union ; and a copious Index. It may be said to be a cyclopœdia of universal information regarding the British Co-operative movement as it stood in 1925.

This Congress was specially noteworthy for the following reasons :—

(i) The number of representatives of co-operative organisations in other countries was the largest yet recorded and was evidence of the growing international spirit among co-operators.

(ii) The most significant amendment to the rules of the Co-operative Union made at Southport was that which makes it clear that the purpose of the Co-operative Union is to pursue the various activities enumerated in its rules "*with a view to the ultimate establishment of a Co-operative commonwealth.*" "This aim always implied in the general objects of the union will henceforth be stated in explicit and definite terms and it may be that *that the date of this alteration of wording will in future be regarded as a landmark in the history of the British Co-operative movement.*"

(iii) Another alteration in the rules of the Union, substitutes the word "*surplus*" for "Profit" wherever that occurs. For Co-operation eliminates Profit

(iv) Another decision of more practical importance was taken when the Southport congress approved a proposal of the Central Board that *a special Agricultural Department of the Co-operative Union should be established.* Henceforth it will be a definite part of the work of the union to promote co-operation among agriculturists and *to bring their societies into closer relation with the consumers' societies which constitute a large and growing market for foodstuffs produced by organised farmers and smallholders*, thus paving the way for providing "*food by the people of the country for the people of the country.*" The whole discussion regarding the proposed Agricultural Department of the Union (pp. 375=385) deserves careful study on the part of those who are endeavouring to further the interests of agricultural co-operation in India.

There is not one aspect of co-operative work which is not brought up to the anvil of discussion in this great national assembly with a view to betterment in some way or other. We commend to our readers the references in the report to the work of the Education Committee of the Union which operates upon the co-operative training of over 20,000 youngsters of both sexes.

On the whole the report is one of continued progress of the British Co-operative movement, so that to-day it is stronger in all its parts than it has been at any time since or before the war. To-day the British Co-operative movement is as detailed below :—

No. of Societies 1314.
No of members 4,702,868.
Average No. of members per society 3579.
Share capital £ 80,216.116.
Sales £ 175,077,825.
Grants for Educational purposes £ 145,968.
Reserve and Insurance Funds £ 5,477,776.
Net profit or Surplus £ 15,533,607.

May not our Provincial Co-operative Union give such detailed particulars regarding the yearly progress of the movement in India ?

II

The Peoples' Year Book of National and International Co-operation and the Annual of the English and Scottish C.W.S. for 1926.

This useful and excellent publication of the British C.W.S. aspires like its eight predecessors to enable its readers to have a world-wide survey of co-operative activities in the field of Distribution and Production in the interest of the organised consumers. Complete aud up to date facts and figures are given exhibiting the progress of the Co-operative movements in Great Britaiu and abroad. Besides Great Britain 36 other countries have their Co-operative activities neatly summarised with reliable and up-to-date statistics wherever possible. It may be of interest to Indian readers to learn that for the first time consumers' co-operation in India comes in for consideration in this world-record of Co-operation prominence being deservedly given to the T. U. C. S. of Madras in a special paragraph devoted to it.

Those of our Country that have faith in the ameliorating influences of Consumers' Co-operation cannot do better than carefully peruse its pages which "*reveal the economic possibilities of the Co-operative movement for 'combined purchasing' inaugurated by the Rochdale Pioneers of England.*"

The article by T.W. Mercer on "*The Origins of Co-operation A Hundred years ago,*" with which the book opens traces its progress *from* the little debating societies and trading associations founded in 1826 and 1827, *through* the great federations of consumers' organisations in almost every European Country *to* its culmination in the newly formed International Co-operative Wholesale Society. In a single century the movement which began as *an idea in the minds of a few isolated thinkers* has become *a vast federation representing 170 millions of consumers.* Its growth seems magical and there is no man who can set limits to its development in the future."

Among other articles which deserve careful perusal may be mentioned the following:-"The Progress in Irish Agricultural Co-operation" by Mr. W. Meakin, "British Unemployment and the Sterling Exchange" by J. M. Keynes, "Women's Co-operative Guild" by Mrs. Barton, "The Economic Struggle of Co-operation in 1925" by Prof. F. Hall.

The Photographs and illustrations are of a quality seldom found in year books and the place of honor is given to the C.W.S building in Leman Street, London. The British Co-operators form a true democracy proud not only of its "*men*" who lead but also of their *brick and mortar edifices* accommodating the pet institutions of their own creation.

The printing and the general get up of the book is so lovely that it may be taken for granted that their belief seems to be that what is worth doing is worth doing well. May our Co-operative friends in India follow their example in sucessful propaganda.

III

Ethics in the monetary system by Irwing Fisher—Reprinted from "Christian Work, 70, Fifth Avenue, New York.

This little book contains an address delivered by the Professor of Economics in the Yale University on the necessity for stabilising the value of the current coin in his country, the dollar. He is the author of a learned book on 'Stabilising the dollar' and this lecture summarises his conclusions in that volume.

A highly successful attempt is made to show how the necessity arises. In our own country the instability of the Rupee has been responsible for a great deal of loss. Our monetary history is full of examples of the attempts to stabilise the value of the rupee, not in terms of real value, but in relation to the pound sterling. The war gave examples of the ruin wrought by an unstable medium of exchange. Every country engaged in the war inflated its currency and the tragic result was seen in the debasement of the value of the current coin. "German prices went up a trillion, two hundred billionfold between 1913 and a year and a half ago (1923). We find that in Russia they went up five billion, fold. We find in Poland, and many of the other countries subject to tremendous inflation, prices went up a millionfold. In Austria, before the currency was stabilised, prices had gone 15,000 times, which means that the Austrian crown had gone down to 4/15,000th part of what it had been. In Italy, France, even in England—all the countries of the world, including America—we find as a consequence of the war and the aftermath of the war prices rose and moneys fell in purchasing power."

As a result, ruin has stared people in the face. Those that had invested their all in bonds in some of these countries found that they had been reduced to grinding poverty. In Germany, the volume of trade shrank very many-fold." "The ups and downs of business, speculatiou, uncertainty, depression of trade, unemployment, and other kinds of evils also enter in, making altogether three major economic evils. First, the unjust transfer of wealth from one set of pockets to another, reduction of production turough this instability, whichever way it goes; and the uncertainties and oscillations of the so-called business cycle.

There are secondary evils. "When prices are falling the debtor class are angry with the money lenders." The farmers in the West (of U. S. A), with the price of wheat going down, but their mortgages remaining the same (in dollars), thought that it was the fault of J. Pierpont Morgan, "of the bloated bondholder of the gold bug of the Wall Street." When prices rise, the high cost of living is the cry and the profiteer gets the odium. In either case there is class hatred as the result—class hatred from which spring class war, strikes, violence sometimes bloodshed. 'After the paper money machine comes the guillotine,' say the French

But the tragedy of this story is the fact that no country can see that any fall has occurred in its money. In Germany, the author found that the genera opinion, strongly held, was that the mark was allright. They all wanted to know why the Americans charged so much for the dollar. They could not understand, even if was pointed out, that it was the mark that had fallen. They could only think that it was the other countries that changed.

It is absolutely necessary that the public should be educated on the question. The falling currency cuts down the value of investments. The so-called interest paid is really no income at all. And if the man that depends on his investments is not to be robbed of his wealth, the 'robber dollar' should be restored to its proper value.

The author goes on to show that the standard value can be discovered by, among others, a careful study of averages of the prices of commodities and arriving at what is called index numbers.'

He suggests the remedy. We are somewhat familiar with it. Our gold standard reserve dealt with the question in a way. In America they have more gold in the country than is necessary for trade and finance. It tends to bring down the value of the dollar from 156 per cent in 1896 to 40 per cent in 1920. The extra gold should be kept locked. The Federal Reserve system has already done it. But the Congress should support the Federal Reserve Board by appropriate legislation.

" Every other unit used in commerce such as the yard, pound, kilowatt is fixed by the Bureau of Standards supported by legislation by Congress. The dollar is now fixed, but only in weight, though it is used not for measuring weight, but for measuring value. This very fact is itself a fraud on the public just as it would be if we defined the yard stick as any stick which had a certain weight instead of a certain length.........When at last we really stabilise the dollar as we now stabilise every measure to help make business honest, we shall have taken the greatest step forward in safeguarding and improving commercial ethics that has ever been taken in the history of the world—" ends the author appropriately to his choice of the title to his address.

C. S. R.

IV

Co-operative credit societies (credit unions) in America and foreign countries by Edson. L. Whitney. November, 1922 Bulletin of the U. S. A. Bureau Labor Statistics, No. 314 10 cents.

This is an attempt to sketch the history of credit co-operation. I propose to summarise the pamphlet and give an idea of the growth of this movement in the countries of Europe and in America.

I. EUROPE, ETC.

Co-operative Credit Organisations.—The purpose of a co-operative credit society is for encouraging thrift among and extending credit at low cost to honest, frugal, industrious workers of the agricultural and mechanical classes with slender means and thus preventing their falling into the hands of 'loan

sharks' in times of unemployment, sickness or need. The organisations are known by different names—peoples' banks, popular banks, rural banks, savings and loan banks, loan associations, credit associations, savings and loan fund associations, credit and savings societies, co-operative credit societies, loan and credit unions, loan fund unions and credit unions. It is the general experience that wherever such societies have been introduced, the usurer has left, homes have become comfortable and the poor man has become a small capitalist.

Underlying principles.—These societies are not charitable institutions. They are purely business propositions and help only such able, honest, and unfortunate persons as are capable of being helped and are willing to try to help themselves. Their underlying principle is co-operation, each society being formed for the furtherance of co-operative purposes and not to enrich members, —borrowers and lenders—both often merged in the same individual and both treated with equal Justice in the distribution of profits. Each member must hold at least one share of stock in the association and may hold more, the value of shares being kept so low as to keep out none otherwise eligible from membership. They differ from regular commercial banks in (1) that they are organised and managed primarily in the interests of borrowers, (2) that the value of the shares is small and may be paid in small instalments; (3) that small loans are preferred to large ones; and that (4) other collateral security being lacking, good character is occasionally accepted as security for a loan.

GERMANY.

Schulze-Delitzch Societies. were organised by Hermann Schulze, an earnest student of co-operation. He adapted his ideas of thrift from the English Friendly societies. Greatly affected by the deplorable condition of the working classes in Prussian Saxony, he formed an association of poor people for the purpose of buying raw materials wholesale and selling them to members at cost. He then tried to evolve a plan to raise capital for persons without money or to give them credit safely without security. Two years later he organised a second society composed of needy mechanics and a few philanthropic members —the latter to loan money—the amount borrowed being paid with interest in small monthly instalments. The profits were to form the basis of a fund for giving further loans to members at a low fixed rate of interest. The next society had a provision for the creation of a fund by contributions from the members themselves. He did plenty of publicity work and carried on a systematic agitation for the formation of creditveraine or credit unions. In 1859, he opened a central bureau to promote the cause. He was able to obtain loans for his societies from commercial banks. His societies remained as voluntary associations till 1867 when the first co-operative law in Prussia was passed. These societies, at first intended for the jobbing artisan and small tradesman in towns, have been found useful by the man of larger business. All occupations are represented in the membership, but the societies are better adapted for the industrial and mercantile classes with small stores than to farmer and agriculturists, because of the length of time for which loans are granted.

Raiffeisen societies.—Frederick William Raiffeisen, burgomaster of Weyerbusch, an inhospitable region of small farms in the Rhineland had noticed the inability of the half-starved peasants to make a living after the drought of 1846-47. This suffering was due to the terrible usury practised by money-lenders. Transferred to Flamersfeld in 1848, he organised a society to sell the peasants bread and cattle at cost. In 1849, he organised a credit and loan society to loan money to them at reasonable rates of interest. In 1854, at Heddesdorf, he persuaded certain philanthropists to loan money on the security of the combined credit of the borrowers, the loan to be repaid in five annual instalments at a low rate of interest. At Axhausen he united the banking plan of Schulze with his own plan of distribution. Since 1880, the idea has spread rapidly in rural areas. Raiffeisen societies to-day outnumber those on the Schulze model by three or four to one.

Differences between the two classes of Societies.—These types of societies were organised to obtain by combination credit that could not be obtained individually, to combat usury, to encourage thrift, and to change dependent into independent producers. But the differences between them have been sufficiently great to prevent them working in harmony.

Their view point.—Schulze was materialistic and commercial, kept the financial aim ever in view, avoided all connection with religion and charity and carried the doctrine of self-help to its limit refusing outside aid of any kind, whether State or local. Raiffeisen was humanitarian and ethical, idealistic, intensely religious, preached educational and moral reform, accepted outside aid wherever proffered, tried to organise his societies in connection with churches, enlisted the aid of parish priests, and, though a Lutheran was supported by the clergy of all denominations.' The People's Banks (Schulze societies) are generally housed in their own buildings, often the principal ones in the town. They have well appointed offices, paid clerks and regular banking hours and resemble small State or private banks. The village Banks (Raiffeisen societies) have but one paid official—the accountant—receiving a small salary and his office is often a room in his house or barn open for business on holidays, Sundays after church services and two or three evenings a week.

Membership.—Peoples' Banks are in populars centres with a large membership, because of the safety in numbers, the reduced cost of management and the better security offered. Average membership is 625, but there are societies with 10,000 members. Any respectable self-supporting person of good moral character is eligible for membership. The poorest class are not welcome, nor are minors admitted.

The Raiffeisen societies exist where population is sparse. The aim is to have one society in a parish. Average membership is 100, but there are societies with only 15 or 20 members. They are composed mainly of farmers. The object is to exclude those not eligible and to benefit the very poor. The majority is from the middle class.

Few worthy persons are debarred from membership.—Both societies exclude drunkards, spendthrifts profligates and persons without means. Neither advocates the formation of societies composed entirely of the poor.

Capital.—Schulze organised to obtain funds. Raiffeisen organised to create a condition where outside credit could be obtained at a minimum of cost. This credit is created out of the general knowledge of the character of the members in a small restricted area. The Schulze societies borrow little; the Raiffeisen borrow heavily, for long periods of time, from commercial banks willing to loan on the security of combined credit.

The Schulze societies place the value of a share at 300 to 500 marks and sometimes 1000 marks. A member should take at least one share and can pay for it in small monthly instalments. The size of the share sometimes prevents some desirable people from joining. The Raiffeisen societies organise, on the other hand, without cash capital. Where the law requires a cash stock, the value of a share is put at a very low value (4 marks) and the body is allowed to take more than a share.

Reserve Fund.—In Schulze societies, this is formed from the entrance fee (10 marks generally), all profits of the first year, 15 to 20 per cent of those of the next two years and 5 to 100 thereafter. It is kept at 10 to 20 per cent of the capital and 8 to 10 per cent of the liabilities and is used to make good any losses and to reduce the necessity of borrowing.

In Raiffeisen societies, all the profits, after paying losses and running expenses, are carried to the Reserve Fund. This takes the place of borrowed capital and reduces the cost of borrowing to members.

Deposits, in both the classes of societies, are received from members and non-members and interest paid on them. The Raiffeisen society tries to become the Savings Bank of its district, distributes Savings Boxes among the families in the community, sells savings stamps and cards and endeavours to get possession of every spare coin in the vicinity, obtaining 85 to 90 per cent of its capital in this way.

Liability of members.—The unlimited liability of each member for the debts of all is calculated to attract depositors and to inspire confidence among persons with money. For, the latter, though unwilling to loan money to one person of good character, might be willing to do so to a group of persons without any other security than the responsibility of everyone for the payment of the whole debt. This system causes caution to be exercised in the selection of members, discourages speculation and makes each one feel his responsibility for all. Besides, there is little danger in it, for, in no case does personal liability begin until after the exhaustion of all the capital and reserve of the society. Schulze adopted the unlimited liability as the basis of credit for his societies. But, since 1889, the law has permitted limited liability and most of these societies since organised have adopted the latter principle. Experience has shown that unlimited liability is less essential as the capital of the society grows. The Raiffeisen societies still hold to the principle of unlimited liability.

Loans. Under both the systems, bank accommodation is given to members only. The Schulze banks confine themselves to a banking business, discounting and accepting bills of exchange (German substitutes for cheques) and granting advances on the note of the borrower for small amounts and with one or two endorsements for larger amounts. The rates charged are those of the commercial banks but for a period of not more than 90 days, with renewals in case the borrower reduces the amount of the loan. The maximum is fixed and no one can obtain credit exceeding one-fifth of the property of the society. The amount of loans outstanding may not exceed twice the capital. Advances on real property are discouraged and chattel mortgages preferred and an attempt made to keep the funds of the society liquid. If a borrower fails to pay, his securities are forfeited, his shares are taken and lastly his endorsees are called on to meet any deficiency. Because of their size, fluctuating membership and unrestricted area, no attempt is made to see whether a loan is used for the purpose for which it is borrowed, provided the security is sufficient.

The Raiffeisen societies, on the other hand, confine themselves to the simplest banking transactions, receive deposits and borrow on the credit of the society. All transactions are for cash. Funds are deposited in a commercial bank, only a small amount being kept for emergencies. The loans are for small amounts (500 marks) and are given on the credit of the individual member, or on a note, with one or more sureties, for three to five years years or more, repayment being made in instalments or amortized.

Borrowing however is made difficult and credit is not indiscriminatingly given, borrowers being required to give as good a security as is exacted by banks. The applicant must show his need for the money which will have to be applied to a specific productive purpose or for something that will repay the loan out of savings, additional profits or the proceeds. The purpose of loans is recorded and the society watches carefully to see that the money is used for that purpose. Loans will be called in if misapplied or if the borrower is careless in paying interest promptly or if he lets his security deteriorate in value. Every three months, the condition of the debtors and their securities is examined and additional security demanded if circumstonces require it. The limitation of membership to a pursuit or neighbourhood, the restricted area and the common spirit in industrial and social relations make vigilance possible. The caution in granting loans, the careful checking of every act, the avoidance of all risks, the cheapness of the service, the small, modest and humble manner in which the business is carried on, all tend to make the Raiffeisen societies successful.

Interest Schulze Societies.—The rate of interest is the same as in commercial banks in the vicinity, the borrowers receiving part of it back at the end of the year in the form of dividends. Large dividends are the rule in the first years of a society's existence in order to attract capital and make members pay up their shares early. High dividends were advocated for attracting money,

securing the best managerial ability and make possible favourable terms to borrowers.

Raifeissen societies place the rate of interest lower than those charged by the banks and thus attract members. No dividends are paid. Profits are used to pay subscriptions to periodicals or devoted to public or social welfare work in the community. In addition to banking business, these societies buy farm supplies—seed, fertilizer, coal, feed, machinery—wholesale for cash and distribute them among members, receiving payment therefor when the crops are gathered. A society may buy a large farm and allot it to members who pay in instalments and avoid all brokerage charges.

Thus Both systems encourage thrift—Schulze by the creation and constant accumulation of capital by small weekly payments and Raiffeisen by requiring repayments of loans in small amountts extending over a long period and encouraging members thus to obtain property.

Management.—Members, at the annual or semi-annual general meeting, elect officers, consider important questions, shape the policy of the Bank and pear final appeals. Every member has a vote and no more.

Schulze Societies.—The management vests in an executive committee of three—manager, cashier and comptroller—selected purely for their fitness. They recommend persons for membership and carry out the policy determined at the annual meeting. They cannot borrow from the society. A supervisory committee of nine representing all sections of membership examines their acres every quarter, audits accounts, looks into the security taken in each case, removes members of the executive committee for cause, appraises the credit value of each member and admits and expels members. Both committees are paid, the former on a commission basis, which is apt to make them less careful of the security offered and at times embark on hazardous or speculative undertakings. They serve three years, one-third of each board retiring yearly. The safety of the business depends on the carefulness of the supervisory committee. Almost every case of loss is due to the negligence of this committee. There is also a biennial inspection by an inspector appointed by a group of societies, compulsory since 1889.

Raiffeisen societies are managed by a committee of five for 4 years, two or three retiring every two years. They meet weekly and perform all executive work A council of supervision (3 to 9 members) is elected for three years. They meet quarterly, supervise the committee and can discharge its members under certain circumstances. A majority of the committees is composed of the wealthier members, officials and landowners, men who do not need credit, but who join it because of their interest in its object, make deposits and give it visible solvency. All serve gratuitously except the accountant. Caution and safety are the guiding motives in every act. Inspectors thoroughly examine each society every two years.

Withdrawals and dissolution.—A member may withdraw on three months' notice and is only entitled to the value of the shares bought. Expulsion may follow immoral conduct, failure in business or in meeting liabilities, or joining another similar society organised on the unlimited liability plan. Heirs of a deceased member are not entitled to admission. In case of dissolution, the last members of a Schulze society divide (and have often divided) the assets including the reserve; but in the case of a Raiffeisen Bank, the Reserve Fund is transferred to a public institution to be used in organising other societies in the place or, if none is organised, within a reasonable ttme, for some local public benefit.

Federations.—As the apex is the General Fsderation of German Co-operative Societies, a voluntary organisation governed by a general committee elected by 32 provincial federations and holding an annual congress where pertinent questions of interest to the members are discussed, views are interchanged, resolutions adopted and co-operative conditions kept pure and uniform. The Provincial Federations have co-operative distributive, productive and building as well as credit departments and have periodic meetings. Every Schulze society is otherwise independent. The Dresdner Bank in Berlin, has, since 1904, acted as the Central Bank for these societies and for the Federation.

The Raiffeisen societies are grouped more comprehensively, each part supporting the rest. Their provincial federations are supervisory bodies with the right of inspection and audit of each local society and they carry on instruction and organisation. The central Agricultural Loan Bank (1877, Neweid—1910, Berlin) acts as intermediary between various societies and equalises the money market. The General Federation of German Rural Co-operative Societies acts as a supply agency of German agricultural co-operative societies (Established in 1877 but taking its name from (1899). This federation has between 1905 and 1913 been affiliated with the Imperial Federation of Agricultural co-operative societies, formed in 1883, for bringing together the distributive agricultural societies. Raiffeisen & Co., established to raise funds, manage the Printing of these societies, publish their Paper, act as a savings Bank, using the profits for the benefit of the societies.

Progress. These societies have a limited field peculiarly their own. They have not displaced savings banks nor are they competitors of the commercial banks. They give to the small borrower the same banking facilities as are reserved elsewhere for capital. Their value to the Government during the recent war was well shown. Through them Imperial bonds were sold for 3,500 million marks (180 million par.) Their success has been marvellous. The percentage of losses has has been trifling and confined to the Schulze societies. In the Raiffeisen, no depositor or auditor has lost a cent. The surplus earnings and savings of the community have thus been kept at home instead of being used elsewhere.

ITALY.

At present, one type of society or the other described above—generally both—are to be found in every country in Europe. Though retaining the co-operative idea, they have so far departed from the original in many cases, that the

adapted form is hardly recognisable. Schulze models are generally first adopted, but when the Raiffeisen forms are introduced, the latter generally outstrip the former in number and variety. In Austria, Italy, Switzerland and Russia, Raiffeisen societies are the most prevalent.

The spread of co-operation has not been due to the exertion of those that need them. Both forms of societies have been introduced by charitably disposed or pubiic spirited persons who have felt that they are suited to the needs of their country.

People's Banks, on the Schulze model but somewhat changed, introduced into Milan, May 25,1866 by Lingi Luzzatti, afterwards Prime Minister of Italy, are now found in all the larger towns of the northern part of the peninsula.

The members are mainly small tradesmen with several from the well-to-do to give strength to the society in its earlier days. Limited liability is the rule. Character is carefully scrutinised. The value of a share is generally 20 to 50 lire (a lire=9½d par) payable in 10 monthly instalments. A member can hold up to 5,000 lire, but has only one vote. The societies receive no help, State or Charitable; give preference to small loans, accept and discount bills of exchange; make loans on a member's character, pledge or shares; limit loans, except those for agricultural purposes to three months; lend their surpluses to non-members; avoid all risk, pay dividends, and give a percentage of the profits to charity and for civic betterment.

The societies do not borrow money. Their funds come from the sale of shares, low entrance fees, a reserve fund to which 20 to 25 % of the profits is carried, and by the issue of interest bearing bonds, but mainly from deposits, as these societies are considered to be savings banks.

Management.—(1) A council of 7 to 140 members representing all parts of membership, and various sections and interests, elects new members, appoints, inspects and reviews the administrative officers. It appoints an Executive Board of three to five members for the general management of the society. (2) A committee of discounts (15 to 40 members) to keep records of the safe credit value of each member and his past dealings with the society and to approve or reject applications for loan. (3) An appeal committee of three to act as arbitrators in all cases of disagreement. (4) A committee of 3 to 5 to approve and make or refuse (for good reason) loans and discounts. The area covered is larger than those of Schulze societies in Germany and some of them have several branches with a membership of 5,000 or more. There is no central organisation. Some of the larger societies act as Central Banks for smaller ones in the vicinity. No general directing or Inspecting body exists and uniformity is lacking.

The people's banks do not reach small farmers and villagers. Noticing this, Leone Wollemborg, later Minister of Finance, established in Lorreggia in June 1883, a society on the Raiffeisen model. These, in 1912, had greatly outstripped the people's banks. *Great* care is exercised in admitting members. There is only one salaried officer. No shares and no dividends, all surplus being turned into reserve. Membership is small. Simple banking business is done, Loans should be used for the objects specified. General meetings are frequent, non-attendance being penalised by a fine. An executive board of five administers the affairs of the society. The council meets fortnightly to examine accounts, receive deposits, and consider applications for loans which are for three months or less but are renewable.

A peculiarity is the 'honor loan' (50 to 100 lire) made to non-members without security if vouched for by a member, and repaid in instalments, often without interest.

FRANCE.

The Luzzatti system entered France. A people's bank was formed in the Mentone on April 9,1883. A few other societies have also been formed on the same model. But Raiffesen societies were first formed by the influence of Durand. a loyal follower of that philanthropist in 1892. They are now numerous and are closely connected with the church and have a strong religious bent. A few imitations of both societies exist in Spain and Porugal but they differ widely from their models. The Luzzatti plan, considerably changed, has been adopted by societies organised in Argentina, Uruguay, Egypt and Canada.

Belgium. The Schulze system, with unlimited liability, was first introduced by Leon Andremont, a landed proprietor, into Leige in 1883. The management is vested in an unpaid council of 15, which appoints the Manager, cashier and executive committee. A share is worth 200 francs (8£ par). Loans are made on these shares up to one half of their value. The reserve fund in these societies is less than in Germany. There is no central Bank. The Raiffeisen societies are similar to those in Germany. They were introduced by Abbe Melaerts and are under the control of the Catholic Church. The Parish priest is a member of the committee. Meetings are regularly opened with a prayer and a gratuitous funeral mass is said on the death of a member. No State aid has ever been received and unlimited liability is the rule. The headquarters are at Louvain.

Holland Switzerland etc. The first society in Holland was organised in Limberg in 1895. Swiss societies are largely denominational. The first was started by the vicar of Bichelsee in his parish in 1900. Austrian societies, date from 1859. The Schulze societies are on the model of the German ones. Two-thirds of them are on the limited liability basis. In Hungary, Czechoslovakia and Yugoslavia, most societies are on the Raiffeisen model and heavily subsidised by the Government. In Serbia and Bulgaria, the shares in Raiffeisen societies are paid for in annual instalments. At the close of the stated term, the money is refunded.

In Russia, an adaptation of the Schulze Society was introduced in 1864 by de-Longuinine, a Russian landlord, the credit feature being but one part of the business of the society. Thirty years later, Raiffeisen societies were introduced. Unlimited liability is the principal feature retained. Each society is organised on the approval of the Minister of Finance, is located in a town, covers a large district and has a large membership, with paid officers. It has no capital except what is loaned by the State. All profits go into the reserve. Both Schulze and Raiffeisen societies have in this country departed from their models to a great extent. All of them receive State aid and are carefully supervised by the State. They have received encouragement from the Soviet as a part of the co-operative system.

In Prussian Poland, Schulze societies are in the majority; in Russian Poland, in Bohemia, Moravia and Silesia, Raiffeisen type prevails. The few credit societies founded in England have not increased in size or attracted much attention. Those in Ireland (introduced in 1895) are Raiffeisen in type and successful.

Statistics.

Country.	Class of Society.	Year of Report.	Number of Societies.	Number of members.
Argentina (South America) ...	All.	1915	11	377
Austria.	Schulze.	1913	431	
Belgium	Do.	1917	485	
	Raiffeisen	1919	1,039	
Ceylon	All.	1918	92	9,551
Crecho-Slovakia ...	Raiffeisen	1918	1,107	135,538
	All.	1918	3,705	399,623
Germany	Schulze.	1911	917	641,429
	Raiffeisen	1918	4,712	
	All.	1919	11,164	1,099,843
Great Britain	All.	1916	6	127
Hungary	Raiffeisen	1916	183	16,602
Ireland	Do.	1918	138	15,881
Italy	Schulze.	1918	140	27,000
	Raiffesen.	1918	508	
Japan	All.	1918	10,390	1,22,000
Chosen (Korea) ...	All.	1917	240	65,742
Lithuania	All.	1920	76	
Mauritius	All.	1918	23	2,837
Netherlands (Holland) and Belgium	Raiffesen.	1919	1,159	
Norway	Do.	1919	210	12,677
Russia		1917	4,362	
	Raiffesen	1917	12,114	
Serbia	Do.	1911	638	9,082
Switerzerland	Do.	1919	250	18,976

C. S. RANGASWAMI.

V

The A B C of Co-operative Housing by Agnes. D. Warbasse. Price 10 cents. The Co-operative League, 167, West Twelfth Street, New York.

" Neighbourliness, Security, Responsibility, Economy, Fair charges and Real Home Making are found in co-operative housing. This is no imaginative situation. It actually prevails among thousands of people." This summing up of the advantages of Co-operative housing appears as the last para in this exceedingly interesting little pamphlet. It deserves to be printed on the title page as well.

The fundamental principles of Co-operation—one member, one vote ; fixed rates of interest, society ownership of property ; non-transferable shares ; dividends ; and democratic control are given in the second page of the cover. The appendix gives model budgets and model by-laws.

The text is in the form of a catechism. The advantages of Co-operative housing are shown. While other forms are mentioned, that in which legal ownership of property is vested in the association itself, the shareholding member being a permanent tenant of the Association and not a propritor holding individual title to the property he holds his property called the only right form of co-operation. The evils of individual proprietorship consist in the liability of a property being sold or rented for personal profit and the introduction of speculation—two things which Co-operation seeks to remove.

The advantages of Co-operative housing—interest on capital outlay and no rents, payments of dividends from savings on charges, provision at no additional cost of such amenities as beautification of premises, recreation—music hall, theatre, library and reading room, a laundry or dispensary, maintenance of a building department for reducing costs of building or repair—are mentioned. The gradual decrease in operation costs is not forgotten.

In the organisation of a society, emphasis is laid on consulting experts on real estate values. Operative expenses in America are given here as it is thought they are likely to be of interest.—Interest on share capital and borrowings ; taxes—land and water ; fire insurance, light, coal and power, wages-janitor etc ; repairs, incidental supplies i reserve fund ; amortization and depreciation ; life and disability insurance, making it possible for an injured or sick tenant to meet his payments regularly or his widow or heirs to continue and complete all payments.

C. S. R.

VI

The Commandite : Co-operative work in the French Printing Industry by Charles Maraux : International Labour Office, Geneva. 1925 Price 6d.

The word 'Commandite' in French means companionship. It is applied to an association of workers in the workshop of their common employer which undertakes on its own responsibility to carry out a specified job or jobs. Commandites are found in different trades and have the active sympathy and

help of the Trades Unions with which they are in close contact, collecting their subscriptions and strike levies, giving special facilities to Trades Union officials and so on. Two officers are elected by a 'Commandite' from its own members, and one of these, the 'delegate,' negotiates with the employer on everything that has to be done with receiving and executing the work which the employees in the association are asked to do. This work is re-assigned to the members of the commandite, and, when it is properly done, the delegate receives payment, for the whole work. The other officer is the 'accountant', who is in charge of the books and accounts of the commandite. The accounts are audited, and a supervising committee checks the attendance and output of work of each member and sees that rules are strictly carried out.

In such an association, there are likely to be old and young members, weak and able-bodied members, neophytes and experts, dull and clever members. But, in the matter of division of wages, the custom adopted in the best societies is what is called equalising. There is no distinction made as regards quality of work or skill. Only one condition is made,—each member should work normally, steadily and to the best of his ability. As an advocate of this system among printers says, " In a commandite, there is neither strong nor weak." Those that are good in one line are placed in that group. " The workers with the lowest output are employed on special jobs which they can do as well as the more capable...There are many special jobs, secondary but essential, which enable even the lowest abilities to be used to full advantage." Thus all unhealthy rivalry is eliminated and in its place the spirit of co-operation is developed. " The commandite system stimulates, enables each member's ability to be used to the best purpose, and ensures a fairer sharing of the work, relative independence for the workers, and, finally, a more just payment of all collaborating in the common task, while only requiring the members to be in the workshop for the time necessary for the job in hand. Security is also greater in the commandites."

To ensure the success of the organisation, it is essential that the members should have an education fitting them for all their duties. They should have a strong sense of mutual help and should accept without grumbling the sharing out of the work according to ability. They should not be sparing of their exertions. They should be able to calm sharp personal feelings and realise they are working all for each and each for all. The spirit of voluntary discipline is also indispensable.

Contrast individual work with this and you will realise the difference. In a workshop or a factory, superintendents or foremen see that work is properly done and assign to each worker the place he is to occupy. When work has to be paid for by the hour or the day, supervision has to be continuous. The worker is afraid of not producing enough, or holds back from producing too much or is content to preserve appearances when the supervision is near. The general mistrust surrounding work paid by time is humiliating to the workers.

Often, in distributing jobs and checking the quality and quantity of work done, the supervisor proves neither to be infallible, nor incorruptible. He may lack judgment, independence and fairness; fear may make him over-conciliating or over-exacting. Complaints against supervisors have been astonishingly the frequent cause for strikes. The supervisor is therefore a doubtful though costly advantage; and, if he could be done away with, the advantage rests with both the employer and the workers. The Commandite system abolishes the supervisor.

The system sketched above seems to be admirable, but it is likely to be asked if commandites are to be found in any number anywhere. The author of this fine pamphlet says that it obtains to a great extent in the printing trade in France. The compositors in printing establishments have been organising themselves into commandites. As early as 1899, thirty four dailies in France were composed by commandites; and the introduction of lino-type has only modified the methods and the internal organisation of these bodies.

Outside the newspapers, the commandite system works side by side with the individual system in several presses including the great National Printing Office. The author who worked for 20 years in the commandite of this office quotes with approval Mr. Charles Dumont, who said:—

"Piece work and the complexity of the scales of prices cause so much trouble at the printing works in checking individual accounts that a commandite is suggested, not so much for bargaining with the workers over wages, as to decrease the cost of administration and supervision.

"A flourishing and parasitical outcrop of officials tends to spread unceasingly through the workshops, nourishing itself on the profits of the Office. To cut the roots of this invading officialdom, the plague of State administrations, to oppose the tendency to officialdom in the workers, and, at the same time, to save money spent on useless tasks, on superfluous material, on excessive and impossible supervision, there is a remedy: the equalising commandite.

"The commandite is a labour organisation whose principles are so high that on a mere description of them no one would believe them attainable. Human selfishness has waned, unity has been expressed in a living and concrete form, natural inequalities themselves have been corrected by the common will to make a discerning justice rule—that true justice which is infused with goodness and mercy."

The system seems to be really a great attempt at exalting man and refusing to treat him as part of a profit-making machinery very difficult to adopt, but, once adopted, not likely to be given up.

There are other kinds of commandites—the *pro rata* and the *mixed* commandites. In the former, payment is proportional to output; in the latter, those members whose output is below the normal are paid less than in the case of others. But both in the equalising and mixed commandites, the number of hours of work of each member is taken into account in making payments.

In a country like ours, where top heavy administration is the rule and supervision is worked to death, a bit of the 'commandite' spirit would be welcome.

C. S. R.

VII

The Consumers' Co-operative movement in Germany by Dr. Theodor Cassau, translated from the German by J. F. Mills. T. Fisher Unwin, London pp. 201. 1925.

The author, besides being the editor of the leading organ of German Consumers' Co-operative movement—konsumgenossenschaftliche Rundschau—in pre-war days, is also the author of two standard works on the respective co-operative movements of Great Britain and Germany. This book is an English translation of the latter.

To us Indians, who have been taught to believe that Germany is a land whose genial soil is favorable only to Credit Co-operation which is followed by us as a model to its very letter, this book must be a surprise with its description of consumers' Co-operation which has developed mostly after 1925 into a strong and powerful movement comprising 1163 societies and 3½ million members, the societies collectively having 8,282 shops and 385 Central ware-houses. Over 20 per cent of the population is co-operatively organised (as consumers) as against 30 per cent for England. 66·54 per cent of the members belong to the working classes. There are nearly 100 societies with a turnover exceeding 10 million marks each. The bigger societies have invariably productive departments attached to them. The book is divided into 8 Chapters excluding a historical introduction and the concluding chapter. These chapters have their scope indicated by their headlines which are as below:—Co-operative organisation, Statistical and general survey—Co-operative Unions wholesale purchasing—Trade Unions and Co-operative societies—The Social Democracy and Co-operative societies—Consumers' societies and Public opinion—and a few appendices; among these the statistical figures relating to the Hamburg Society are interesting and illustrative of the rapid growth of the consumers' movement in that country.

The chapters on Co-operative organisation and Business organisation and the concluding chapter contain many valuable suggestions and reflections of great value to those who carry on the work of a Co-operative store society and particularly with reference to the efficiency of the Manager.

Co-operative societies in this country whose idealism has progressed so far as to have a library attached to them will find this book a useful addition to it.

T. K. H.

THE CO-OPERATIVE MOVEMENT IN SOVIET RUSSIA.

The International Labour Office in Geneva has, in a neatly got-up volume of 362 pages, brought out the above publication. It is a digest of the study of the various principal Russian publications on co-operation and other kindred subjects, numbering on the whole about 122. The report contains statistics and comparative tabular statements to elucidate the remarks made here and on the progress of the co-operative movement, especially consumers' co-operation; and these figures have been used with great caution, for statistics are not generally accurate and hence cannot be relied upon in their entirety and by themselves without the operation of other considerations.

The movement is studied with reference to three distinct stages, rather periods, *viz.*, 1918—1920, 1921—1924, 1925 and after. The first period is the period of commission when the communist theory of Co-operation was developed to its high pitch along with political considerations.

This theory was based on the ideas expressed by Karl Marx at the International Congress of Geneva in 1866 that "the real achievement of the co-operative movement is to afford a practical demonstration of the fact that the present system, based on enslavement of labour by capital and inevitably leading to the impoverishment of the masses, can advantageously be replaced by a democratic system, the free association of producers in the enjoyment of equal parts." "In order to free the labouring masses, the co-operative movement must be organised on a national basis. It must bring the whole resources of the country to bear. Hence Co-operation must extend to the whole of the population and be supported by the State." Co-operation is an outgrowth of capitalism; in other words, it is a reaction against the state of affairs where abnormal social and economic conditions prevail as the result of the unjust distribution of national income and exploitation of the masses by a few. In accordance with this policy, various spheres crop up, of co-operative activity, viz., consumers' co-operation, urban producers' and craftmen's co-operation, agricultural co-operation and finally credit co-operation. Co-operation, according to this theory, being a movement of opposition to capitalism, is only a transitory form of economic organization. Its fate is bound up with that of capitalism. It has no place under the Socialists' regime; if it persists at all, it has quite different functions to discharge.

Hence it is that in 1917—1918, when the Bolshevist Revolution was ushered in to wrest more power into the hands of the proletariat, the communist party found the soil favourable to the nurture of the Co-operative plant, though in an era of perfect socialism, this might have no place. The result of the communistic policy was that voluntary membership in Co-operative Societies was abolished and all the workers were enrolled in these societies without any financial contribution. But with the establishment of socialism, this co-operative movement becomes a cog in the economic machinery. Hence it is embodied in the economic system of the proletarian state, of which it becomes an agent and being without voluntary capital, should be financed by the State like any commissariat or economic department of the Soviet authorities. Thus during the period of communism, in the first year of the Soviet Government's existence (1918), the Government pursued a policy of compromise. It left all branches of the co-operative movement in existence and did not hamper their activity as independent factors in economic life, but it took certain steps to place the movement under the control of the communist party.

The year 1919 marked the nationalisation or 'Sovietisation' of the co-operative movement. The movement was entirely controlled and directed by the State, with its various branches continuing to exist.

The year 1920 which was the culmination of the programme of socialisation of production and exchange reduced the co-operative movement to the position of an agent of the State and deprived it of all independence of organisation and trading. It became simply a cog in the general economic machinery of the Soviet. The various branches of co-operation were brought together into a single organization, a federation of all, in which the State was sure of having delegates of primary organizations, belonging to its party. The Centrosoyus, so it was called, though originally an independent federation, became a State machinery, the Soviet party members of the branches alone being allowed to sit there as delegates of primary and secondary organizations.

The function of the co-operative organization under this regime naturally became different. Through it the State regulated exchanges; that is, exchanges were socialised; distribution of goods and articles was made to the people in villages through retail shops and through wholesale distribution at important centres.

The combined effects of the communist policy on the Co-operative system were on the positive side: freedom from financial anxieties, better technical organisation (than even the State) and the splendid opportunity of development given to it, by the abolition of private trade.

But the negative side is more marked and exposes the dangers of excessive State control. The leaders quickly lost all initiative and the movement was stripped of all its own resources. The movement suffered from a chronic deficit because it could make use of State funds only to a considerable extent, and had never had in hand the sum needed. There was no opportunity for independent and individual action. Since all branches of co-operation were united in the Centrosoyus, there was a great dispersion of energy, a lack of cohesion among the various sections, financial disorganisation, a slackening of the links between the head offices and the local branches, and an extraordinary inflation of administrative machinery. Co-operative work of all kinds under the State was hampered in all directions by excessive centralization and the 'red tape' of the offices concerned. All the work of the movement was effected in accordance with instructions and orders issued by state economic bodies. Strictly speaking, co-operative activity had completely disappeared. The movement had been so profoundly disorganised between 1918—1920 that any revival was of necessity slow and difficult.

1921—1924.

The economic ruin reached its climax in 1921. The system of forced contributions, requisitioning and confiscation of agricultural produce, had brought disorganisation and disaster upon its peasants. Freedom of exchange was abolished. The Commissioner of Supply had to replace private commerce, organise compulsory exchanges and ensure State supplies. The reaction consequent upon this policy on the co-operative movement had become so severe that the Government embarked on a new Policy under which the peasants were allowed to dispose freely of all their surplus produce after due payment of the tax, and which tolerated freedom of commerce within certain narrow limits. A system of State capitalism was created within which private commerce would be tolerated as an exception, on condition that its operations were limited to local trade. But the new Policy was enunciated at the time when there were crises in the economic condition of the country. The Co-operative movement was to be merely an auxiliary of the State commercial organizations which were to carry out exchanges and supply the population. The re-introduction of free trade led to the abandonment of exchange in kind and the revival of the use of money as medium of payment and exchange. A financial system based upon money and trade therefore re-appeared, and the co-operatives, no longer maintained by State funds, had to consider how to secure the working capital required.

The Decree of April 7, 1921, however, introduced new provisions. It re-established membership fees, but left them optional. It allowed formation of voluntary societies. The new policy thus allowed the societies to take part freely in exchange (while continuing to comply with State instructions) and in the provisioning of State bodies, none of which operations were allowed by the communist policy. The influence of the communist regime was so great that it was felt during the whole of 1921.. But the whole movement had been so thoroughly disorganized that when a relaxation was made as the result of the new policy, private trade expanded considerably and the work of the Co-operatives was sunk into insignificance.

The leaders of the co-operative movement and the administrators of Soviet institutions were therefore compelled to examine the causes of the expansion of private enterprise in all branches of activity, and their enquiries led to the introduction in 1923 and 1924, of many economic and administrative reforms, conducive to the progress of the co-operative movement.

1925 and after.

The Decree of May 20, 1924, made membership voluntary, and a member may leave a society at will. Purchase of shares was made compulsory and not optional. An entrance fee was fixed. The organization and activity of Co-operative Societies are subject to no special restrictions ; and the State offered only such aid as was necessary to encourage them against undue competitions, such aid and privileges being subject to be withdrawn when conditions improved. The effect of these changes was that there has been marked increase voluntary Co-operative activity.

The study of the 'Co-operative movement in Soviet Russia' is a very interesting one. In the struggle between the theories of the Communist party and actual economic conditions, economic realities, are steadily forcing a return to the principles which underlie the Co-operative Movement in other countries.

Voluntary membership, freedom of action and absence of State control except for State aid in the initial stages of the movement are the conditions essential for the spontaneous development of Co-operation. Soviet Russia affords valuable lessons for those who always banker after State aid at every stage and

in every minute detail of the working of Co-operative institutions. Of course considerations of the nature of the people and their Government also play a very important part in the progress of the Co-operative Movement.

GOOTY. }
4—3—1926. } C. RANGANATHA AIYENGAR, M.A., L.T.

VIII

First Year-Book of the Northern States Co-operative League—an annual of the Consumers' co-operatives in the Northern Central States of the U.S.A. Minneapolis—Minnesota. 1925.

Thus says the foreword :—" Consumers' Co-operation in the United States has come to stay, and it is from now on bound to grow and progress steadily. To assist in such growth and to promote such progress has been the aim of the Northern States' Co-operative League in publishing this year-book". This aim has been sought to be accomplished by several articles from the pen of leading American Co-operators for the purpose of spreading a knowledge not only of the *practice* of Co-operation in North America in General and the five northern States of Minnesota, Wisconsin, Michigan, Illinois and New York in particular, but also of Co-operative principles or *theory*. Among the articles with an *Educational aim* may be mentioned the following :—

1. Training for Self-Help by J.P. Warbasse.
2. The Early days of American Co-operation by Albert Sonnichsen (author of a splendid book on *Consumers' Co-operation*).
3. Co-operative Education at the Franklin Creamery.
4. Loyalty of its members a big factor in the success of the Franklin Creamery by F.F. Burandt.
5. Women's Co-operative Guild of Minneapolis, Minnesota.
6. Why has *Co-operation* succeeded better in Europe than in the United States—The present hopeful outlook here—by Agnes D. Warbasse.
7. Calm review of cold facts by H. V. Nurmi.
8. Friendly questions and hints to Managers and Clerks by H. V. Nurmi.

Among the articles which have an interest from the "practice" side of Co-operation the following are interesting and instructive :—

1. The Northern States 'Co-operative League—An account of its three years' Educational activity.
2. Consumers' Co-operation elsewhere in the United States by Cedric Long.
3. The Franklin Co-operative Creamery Association.
4. The story of the Co-operative Central Exchange and of several other Co-operative organisations mostly of Farmers.

The burden of the whole story narrated in this book is—

If you want to achieve success in Co-operation in whatever field of activity—*Educate, Educate, Educate.*

Let us close this review by a quotation from it by way of sample :—

" The progress of co-operation depends on the number of people understanding co-operative principles and ideals. Any Co-operative enterprise not backed up by members who are truly convinced of the advantages of united action will ultimately fail.

A huge volume of business does not necessarily mean success. It is a better and deeper understanding of the movement by members, the ambition to give real service, the willingness for voluntary work when needed, the spirit of mutual harmony and brotherly love that determine the degree of success in a Co-operative enterprise.

The present economic and political system, with its "man beat man" tactics has had people's backs turned to the sun so long that they dare not turn around for fear they will be blinded Competitive business has made a slave out of man both mentally and socially. But man's longing for freedom and light, for a better and more human existence, for loftier ideals and a better world to live in, for justice and a sane civilisation, is still buried within him. Injustice and oppression, and the spectre of poverty and uncertainty, have haunted man, have made him think and have made him look for a way out of the chaos.

Through Co-operation we can point the way out. If the full meaning of this movement can be brought to the people in its broadest scope ; if its ideals are explained and made a basis for study and comparison; if its terms and plans are in a simple form put before them, they will become co-operators. The Educational Committee of the Franklin Co-operative Creamery Association has from the beginning made a special study of how to carry the gospel of Co-operation to the people of Minneapolis."

We would strongly recommend this book to be had for every co-operative library in our country and a close study of it by every one interested in non-credit co-operation.

T. K. H.

ANNUAL REPORT OF THE

Madras Provincial Co-operative Union, Ltd.

(From 23rd December '24 to 31st March '26.)

ELECTIONS OF THE YEAR

The General Body elected at its meeting on 23rd December 1923 the following members to the Advisory Body :—

I. Representatives Elected by the District Banks.

1. Mr. T. Adinarayana Chettiar, (Salem Dt. Bank.)
2. „ T. R. Srinivasa Iyengar, (Tanjore Dist. Bank.)
3. „ G. Srinivasaraghavachariar, (Madura-Ramnad Dt. Bank.)
4. „ A. Nagaraja Iyer, (S. Arcot Dt. Banking Union.)
5. „ U. Mangesha Rau, (S. Kanara Dt. Bank.)

II. Representatives Elected by Union Representatives.

1. Mr. O. M. Venkatanatha Aiyangar: (Uttiramerur.)
2. „ P. K. Ananthanarayana Iyengar, (Coimbatore.)
3. „ P. V. Narayanaswamy Iyer, (Tirumangalam.)
4. „ G. Sriram Babu Naidu, (Madras Pudupet Union.)
5. „ M. S. Seshachala Iyer, (Tiruvannamalai.)
6. „ Subramania Sastry, (Ramnad.)
7. „ V. Jayarama Iyer, (Villupuram.)
8. „ G. Venugopala Naidu, (Pattukottai.)
9. „ G. S. Gangadhara Sastri, (Hindupur.)
10. „ A. Narayana Rao, (Nellore.)
11. „ T. Veerabadra Pillay, (Ottapidaram.)
12. „ T. C. Krishnaswamy Iyer, (Tholasampatti.)

III. Representatives Elected by Provincial Societies.

Mr. V. C. Ranagaswamy (M. C. U. B.)
„ A. Sivarama Menon, (T. U. C. S.)

IV. Hon. Members Invited by the Advisory Body.

1. **Sir K. V. Reddi Naidu, Kt. B.A., B.L., M.L.C., Madras.**
2. **The Hon. Mr. V. Ramdoss B.A., B.L., Madras.**
3. **Dr. Swaminathan, Madras.**
4. **Dr. C. Natesa Mudaliar, Madras.**
5. **Mr. T. Varadarajulu Naidu, Madras.**
6. **„ S. Muthiah Mudaliar, M.L.C. Madras.**

7. „ T. Srinivasa Rao, Chittoor.
8. Prof. S. Subbarama Aiyar, Madras.
9. Mr. V. Venkatachariar, Conjevaram.
10. „ T. R. Srinivasa Iyengar, Tanjore.

2.—TRANSACTIONS OF THE P.C.U.

General Body.

The General Body adopted the annual report for the year 1924 recording its thankfulness to M. R. Ry, Rao Bahadur A. Vedchala Iyer for having presided over the P.C.U. for the previous three years. Sir K.V Reddi Naidu Garu B.A., B.L., M.L.C., was unanimously elected as President. Mr. A. Sivarama Menon B.A., B.L., Rao Sahib T. Srinivasa Rao, Rao Sahib M.S. Seshachala Iyer, S.K. Yeanarayana Iyer and G. Sriram Babu B.A., B.L., were elected as Secretaries of the P.C.U. for the year. After adopting certain amendments in the then existing by-laws the meetings terminated. One of the important changes that took place in the bylaws of the P.C.U. is the admission of primary non-agricultural societies, having a capital of Rs. 20,000 and above into the Provincial Union and giving a place to two representatives of those institutions on the advise Body.

Advisory Body.

The Advisory Body elected Messrs. A. Vedachala Iyer and T. Adinarayana Chettiar as the members of the Governing Body in addition to the President, the Vice-President and the Secretaries chosen by the General Body. Mr. G. Sriram Babu Naidu B.A., B.L., was elected as the voting Secretary till 29-3-25. Thereafter all the other Secretaries also voted under the amended bylaw. The Advisory Body also met in January 1926 and made necessary arrangements for the XIV Madras Provincial Co-operative Conference.

Governing Body.

The Governing Body met 8 times during the period under review. The Registrar in his Annual Administration Report from 1924-25 says that the Madras Provincial Co-operative Union continued to do useful work during the year. The Appendix No. 2 at the end will indicate the importance of the subjects discussed at the meetings.

CO-OPERATIVE TRAINING CLASSES.
(Advance Grade.)

This is the first year during which the P.C.U. made an attempt of conducting a training class on co-operation (advance grade) for three months with a view not only to impart instruction to persons of the rank and class of supervisors but to train up people who can handle classes of an elementary nature in their respective District Centres. Out of

450 applications received, the Education Committee, selected 150. 22 gentlemen lectured to these students and their names are given in App. No. VI. About 100 attended the classes, of whom 84 sat for the examination and 32 were declared as having passed the same. It will not be out of place to quote here the remarks of the Registrar on this phase of our work in his Annual Report 1924-25. "A most noteworthy item of work newly undertaken by the P.C.U. during the year was the arrangement for holding training classes for employees of Central Banks, Urban Societies and local unions and for office-bearers of societies and others. The Provincial Union drew up in consultation with me a syllabus for the course of training. The class was opened by the Hon. the Minister for Development on 1st October 1925."

Our thanks are due to the lecturers, officials and non-officials, who in a spirit of self-sacrifice ungrudgingly gave their time and energy for the conduct of these classes. Mr. A. Vedachala Iyer spared no pains for making the classes a success. Mention should be made here of the recurring grant from Govt. of Rs. 1200/- per annum for 5 years to enable the P.C.U. to develop the activities on the educational side. While thanking the Govt. for this grant the Provincial Co-operative Union hopes that in future years the amount of grant will be adequately increased. The services of the Secretary of the Union, Mr. K.G. Sivaswami, was availed of by the Government by apponting him as a Special Hon. Assist. Registrar for silt clearance in the Districts of Tanjore and Trichinopoly for distribution of government loans through Co-operative Societies. We also beg to thank the institutions that have deputed their students to under go instruction in these classes. The classes were opened by the Minister for Development, and at the close of the session there was a social gathering arranged by the students and it was a success.

Propaganda and Education.

During the year under review, Messrs. S. K. Yegnanarayana Iyer, G. Sriram Babu Naidu and T. Srinivasa Rao attended the Bombay provincial Co-operative Conference on behalf of the Provincial Co-operative Union. Mr. G. Sriram Babu Naidu attended the Andhra Provincial Co-operative Conference held at Peddapur. Messrs. K. G. Sivaswami Iyer, T. Srinivasa Rao and A. Vedachala Iyer attended the conference of representatives of Central Banks and Unions called by the Registrar to consider the Model by-laws of the District Federation. As members of the sub-committees appointed by the Conference of the Central Banks, Mr. A. Vedachala Iyer submitted a note on the issue of long term loans and Mr. T. Srinivasa Rao on the proportion of short term loans and long term loans and the general information register which should be maintained by the Central Banks.

Mention should be made here of the work turned out by the members of the Governing Body as Presidents of the district and provincial conferences. Sir. K. V. Reddi Naidu Garu presided over the Bombay Provincial Co-operative Conference in November 1925. Mr. A. Sivarama Menon over the North Arcot Dt. Conference in January 1925, Mr. T. Adinaryana Chettiar over Cuddappah and Anantapur Conferences in November 1925 and the Madura-Ramnad Union representative conference in March 1926 and Mr. T. Srinivasa Rao over the East Godavari conference in February 1926, Rao Saheb M. S. Seshachala Iyer over the Coimbatore conference in May 1925, Salem Conference in February 1926, Polur and Omalur Union conferences in March 1926, and Mr. K. G. Sivaswami over the Malabar District Conference in December 1925.

The Propaganda work may be divided under four heads. (a) Educational classes; (b) Lectures or short courses; (c) assisting in the resolutions of business and district conferences; (d) Talks with Govening Body members of the Unions and submission of reviews for their work. On the invitation of Kistna and West Godavari District Federation, Mr. T. Srinivasa Rao attended the training class of rural co-operators and delivered lectures at three centres in those districts. He took advantage of that opportunity to lecture to a Union in Bezwada to the Directors of Viziavada Union in February 1926.

With a view to arrive at a certain fundamental points on the short course on co-operation Mr. K. G. Sivaswamy prepared some notes and circulated to officials and non-officials and obtained their views.

Advantage was taken of the Madura-Ramnad business conference of unions in 1925 by Messrs T. Srinivasa Rao and K. G. Sivaswamy to deliver a short course of lectures to the supervisors ond representatives of unions. Similarly at the district conference of Salem in 1925 March and in 1926 February both the propaganda secretaries delivered some addresses, Similarly in North Arcot Conference in January 1925 and '26, and at Tanjore in November 1925, at Nellore in March 1925 and at Kistna and West Godaveri in December 1925 the propaganda Secretaries and took an active part were present.

At the instance of the Registrar of Co-operative Societies who was present at the general body meeting of the district conference in April last year a programme of work for visiting those unions comprising societies with heavy overdues was arranged when one of our propaganda secretaries who was then in the Trichy District for land reclamation work afforded his assistance. The unions at Perambalur, T. Palur, Musiri and Jayankondacholapuram North and South were visited by him, in April and May 1925.

In August 1925 at the request of the Secretary of the Co-operative Union, Alameru in the East Godavari district, our propaganda secretary visited some of the unions in that district along with him in February 1926. At the instance of the Salem District bank 6 unions were visited by Messrs. Rao Saheb M. S. Seshachala Iyer and K. G. Sivaswami and reviews on the working of these unions have been submitted to the authorities concerned for necessary action. A list of subjects on which lectures were delivered by the propaganda secretary is given below: 1. Methods of building rural leadership. 2. The importance of share capital and reserve fund in the village societies. 3. Methods of collecting overdues. 4. Local unions and rural development. 5. Relationship of supervising and educative bodies. 7. Duties of Central Banks. 8. District Federations—Principles and Constitution.

Publication of the Bulletins.

During the year Mr. S. K. Yegnanaryana Iyer was in charge of the English Bulletin. Among the marked improvements introduced in the publications of the English Bulletin are the following:

1. The publications of the biographical sketches of eminent co-operators in this Presidency.

2. Up-to-date information about the growth of the movement in India in general and of this presidency in particular.

3. Publication of the proceedings of the various Dt. conferences and extracts from Dt. Administration reports.

4. Reviews of Books and pamphlets on co-operation and allied subjects and of administration reports of various provinces.

5. Publication of audit orders of Special Types of Societies.

The Department of Agriculture have been continuing as usual their contribution to the English Bulletin on matters relating to Agricultural Co-operation.

One of the striking features in the publication of the Bulletin is its gaining more and more popularity among the co-operators of the presidency and outside. With a view to enlist more and more adherents to the gospel of co-operation, all the prominent co-operators of the presidency were circularised by the Editor and almost all of them have given their consent to be honorary contributors to the Bulletin, by occasionally contributing articles, sending Dt. News and reviewing co-operative books etc.

The Editorial Board of the English Bulletin consisted of Messrs. Sir K. V. Reddi Naidu Garu, A. Sivarama Menon, C. S. Srinivasachary and S. K. Yegnanarayana Iyer.

Tamil Bulletin

During the year Rao Saheb M.S. Seshachala Iyer was in charge of the Tamil Bulletin.

We are glad to mention that the Tamil Bulletin has greatly improved in its quality during the last one year and more. The Editorial Committee consisted of Messrs, Rao Saheb K. Devasikamani Mudaliyar, Rao Bahadur A. Vedachala Iyer and K.G. Sivaswamy Iyer. Special attention has been devoted to the vital problems of the movement which have a large bearing on the working of societies in this presidency. A perusal of the Bulletin for the last one year will indicate the improvement in its quality. The latest report of the Registrar says that " the improvement noticed during the last two years both in the English and Tamil Editions of the Bulletin has been maintained during the year under review."

Other publications i.e. Leaflets, Pamphlets, Books and Manuals.

The portion of the report of the Maclagan Committee on Co-operation relating to the rural primary societies and translated by Rao Saheb M.S. Sesbachala Iyer was printed during the year with a preface by M.R.Ry. K. Devasikamani Mudaliyar Avargal.

All the lectures delivered to the Co-operative Training class have been issued in the form of a book. The following are other publications issued during the year in addition to the several Presidential Addresses published for the benefit of co-operators. 1. The issue of debenture stock by the Central Banks by Rao Bahadur A. Vedachala Iyer. 2. Rural Co-operation by Rao Bahadur A. Vedachala Iyer. 3. Co-operative Movement in Madras and Bombay—Mr. K.G. Sivaswamy. 4. The amalgamation of the development department—G. Srinivasaragavachariar. 5. Articles on the de-officialisation of the movement by Messrs Rao Bahadur A Vedachala Iyer and G. Srinivasaragavachariar.

Libarary

Several books were received for review in our Bulletin. They have become useful additions to the Library. The periodicals received by us were classified and bound together and added to the library. Apendix No. 2 gives the necessary particulars.

XIII Madras Provincial Co-operative Conference

The XIII Madras Provincial Co-operative Conference was held during the Christmas week 1924 under the Presidency of Sir. K.V. Reddi Naidu Garu B.A.,B.L.,M.L.C., the former Minister for Development. M. R. Ry Rao Bahadur A. Vedachala Iyer was the Chairman of the Reception Committee. A detailed account of the report of the Conference was published in the January issue of the Bulletin 1925 (English). All the resolutions of the Conference were submitted to the Registrar with a detailed memoranda. The report of action taken on the resolutions by the last Conference with the replies by the Registrar has been published in the Bulletins of October and November 1925, and March 1926.

Arrangements were made for the International Co-operators, day as usual.

Our report will be incomplete without the reference to our honorary members. Apart from the help given by them for the conduct of the training class, some of them also engaged themselves in co-operative propaganda and education. Mr. M. S. Sabesa Iyer delivered a series of instructive addresses at Lalgudi and other places during the last summer. Mr. T. K. Hanumantha Rao has been giving of late a series of lectures on Consumers' co-operation in the City. The Hon'ble Mr. V. Ramadas presided over the Andhra Provincial Co-operative Conference.

APPENDIX NO. 1.

12-1-25. Meeting No. 1.

Appointment of Committees; allotment of work among Secretaries; (*Vide Page 447-48 of Feb. Issue.)

10-2-25. Meeting No. 2.

Sending Representatives to Registrar's Bankers' Conference; fixing rates for the sale of old Bulletins etc. (P. 449-50. Feb.)

29-3-25. Meeting No. 3.

Recording the registration of amended bylaws and their communication to Societies and Local Unions; approving of the Draft communications to the Registrar on the Resolutions passed by the 13th Provincial Conference; Requesting Registrar to favour the P.C.U. with the important circulars issued by him to non-official agencies; Deciding that the circulars issued by individual members cannot be considered the circulars of the P.C.U.; Authorising Messrs. K.G. Sivaswamy Iyer and T. Srinivasa Rao to start District Federations in each District etc. (P. 533-36. April.)

2-5-25. Meeting No. 4.

Circularising the Local Unions and Dt. Federations on the advisablity of starting co-operative dispensaries; Requesting the Registrar to send copies of his and his Deputy Registrars, circulars addressed to primary societies, unions, and central banks to the P.C.U.; Approval of the draft as modified by Mr. A. Vedachala Iyer about Dt. Federations. (P 598-600. May Issue.)

21-6-25. Meeting No. 5.

Requesting to get the circulars of the Assistant Registrars also; Requesting the Department to see that the Deputies consult the Dist. Federations before any definite action is taken on non-statutory matters; appointing a sub-committee for consultation by the Registrar; resolving to issue a consolidated Report of Co-operative Institutions by the Provincial Union.

26-6-25. Meeting No. 6.

Resolving to find out the views of the Co-operative Institutions as to their preparedness to take up the work of inspection, education and all non-statutory work and the grant they require for those purposes; appointment of committees for publictions of pamphlets; Inviting the views of Central Banks, Dt. Federations and Unions for the starting of Language Federation; Replying Melattur Co-operative Union; Awarding medal to Mr. Ramiah for his Essay; Approving the syllabus etc., of the Training Classes and the appointment of an Education Committee; Circularising Central Banks regarding the raising of the maximum borrowing power; Passing the budget for 1925-26. (p. 153-57. September.)

29-11-25. Meeting No. 7.

Addressing the Government to restore the concession of the use of unstamped cheques; Favouring the raising of the maximum borrowing power of Central Banks from 8 to 10 times the paid up share capital; Reminding Co-operative Institutions about the formation of Languge Federations; Resolving to hold the next Conference at a moffusil Centre; appointment of Executive Committee for the Conference; Sanctioning the extra expenses of the experimental measure of the publication of of Tamil Bulletin. (P. 372-75.)

28-2-26. Meeting No 8.

Bringing the Language Federation question before the forthcoming Conference; Acceptance of certain principles to be adopted in the Bylaws of the Dist. Federation; and addressing the Registrar on the same; Requesting the Government to extend the time for confirmation of the notification regarding the Levy of Audit Fees; Acceptance of the principle of subsidy to Local Unions for supervision; Resolving that there is no need for the creation of the post of a Joint Registrar; Deciding the holding of Bankers' Conference a day before the XIV Madras Provincial Co-operative Conference. (p. 537-40.)

(Pages referred to are those of the Madras Bulletin of Co-operation.)*

C. C. P. WORKS, LTD., MADRAS.

AUDIT REVIEW

BY

M. R. Ry. A. Ramanujachariar Avergal, B. A., Deputy Registrar of Co-operative Societies, Madras Circle, on the accounts of the Madras Provincial Co-operative Union Limited, No. 1130 for the year ending 30th June 1925.

The report on the working of the Madras Provincial Co-operative Union, Limited, No. 1130, for the co-operative year ending 30th June 1925 as received from the City Senior Inspector, M.R.Ry., T. Ramachandra Rao, is accepted for review. Statements of (1) Receipts and Disbursements and (2) Assets and Liabilities as furnished by him are appended to this review.

II. Membership.

2. At the beginning of the year under review, there were 3 Provincial Societies, 13 Central Banks, 3 Trading Unions and 75 local supervising unions on the rolls as members. With the new admissions during the year, there were at the end of the year 3 Provincial Societies, 15 Central Banks, 5 Trading unions, 111 Local Supervising unions, and 2 District Federations as members. One important change in the by-laws of the union made this year was that primary non-agricultural societies in the Presidency whose working capital is Rs. 20,000 and above can become members of the union.

3. *Demand, Collection and Balance:*—The following table furnishes details as to the demand, collection and balance of the current and arrear revenues of the union for the year under review.

(A) Current Revenue.

——	Demand.			Actual collection.			Balance overdue on 30—6—1925.		
1. Provincial Societies ...	205	0	0	105	0	0	100	0	0
2. Central Banks	370	0	0	320	0	0	50	0	0
3. (a) Unions	555	0	0	435	0	0	120	0	0
(b) Trading unions ...	20	0	0	10	0	0	10	0	0
(c) District Federations ...	10	0	0	10	0	0	...		
4. (a) Contributions from unlimited Societies ...	1,851	12	5	1,851	12	5	...		
(b) Contributions from limited Societies ...	104	12	0	104	12	0	...		
5. Tamil Bulletin (Individuals)..	616	11	8	616	11	8	...		
6. English Bulletin (Individuals)	2,970	6	4	2,970	6	4	...		
7. Miscellaneous	428	4	2	428	4	2	...		
8. Sale proceeds of pamphlets...	37	12	6	37	12	6	....		
9. Sale of old Bulletins ...	105	8	0	103	8	0	2	0	0
10. Advertisements ...	106	8	0	52	8	0	54	0	0
Total ...	7,381	11	1	7,045	11	1	336	0	0

(B) Arrear Revenue.

Particulars.	Demand.	Written off	Balance.	Actual Collection.	Balance overdue on 30—6—1925
1. English Bulletin ...	353 4 10	8 0 0	345 4 10	82 7 10	262 13 0
2. Tamil Bulletin ...	3,896 14 0	9 0 0	3,887 14 0	419 0 0	3,468 14 0
3. Telugu Bulletin ...	1,193 15 4	19 0 0	1,174 15 4	190 13 0	984 2 4
4. Contribution from unions.	34 0 0	...	34 0 0	6 0 0	28 0 0
5. Contribution from trading unions ...	5 0 0	...	5 0 0	5 0 0	...
6. Contribution from Central Banks ...	75 0 0	...	75 0 0	75 0 0	...
7. Sale proceeds	46 12 0	0 12 0	46 0 0	15 10 0	30 6 0 Minus 25% or Rs. 7-10-0 for depreciation is Rs. 22 12 0
Total ...	5,604 14 2	36 12 0	5,568 2 2	793 14 10	4,774 3 4 7 10 0
					4,766 9 4

" Column 3 includes amounts written off or adjusted."

III. Constitution.

4. *General Body:*—The General Body consisting of delegates of the member societies met as usual during the Christmas week in December 1924 and elected as usual the office-bearers. Five representatives of Central Banks and twelve representatives of Supervising and Trading unions were also elected for the advisory Body.

Advisory Body:—The Advisory Body so elected met immediately and co-opted as Honorary members of the union 10 Gentlemen of distinction in the field of Co-operation in addition to the 30 Gentlemen already on the rolls of the union. This body met only once in a year.

Governing Body:—The number of members of the Governing body was during the year increased from 5 to 9 and all the nine members were elected.

IV. Activities.

5. *Bulletin*:—The Bulletin continued to be the chief item of activity for the year.

FINANCIAL ASPECT OF THE BULLETIN.

Out of the total contribution of Rs. 1,956-8-5 under By-law VI (b) from primary societies, Rs. 1,451-12-2 was set apart for the supply of the Bulletin to the societies concerned. The amount similarly appropriated from the contribution of other member societies at Rs. 4 per Supervising union and Trading union and Rs. 8 per Central Bank and Provincial Societies amounted to Rs. 494-6-0. The amount realised under bulletins to persons other than members, advertisement charges, sale of old bulletins and registration and V. P. charges was Rs. 3,951-11-9. Adding these together, the total income for Bulletin was Rs. 5,897-13-11. Against this amount the charges on account of the issue of Bulletin during the year amounted to Rs. 5,860-14-4 working out a surplus of Rs. 36-15-7 for the year against a deficit of Rs. 270-6-8 in the previous year.

6. *Propaganda work*:—Various pamphlets in English and in Tamil were issued by the union during the year.

7. *Touring of Secretaries*:—They attended the District Conferences held in 13 Districts.

A sum of Rs. 953-6-3 was available from the contributions under By-law VI. The amount realised from the sale of pamphlets and from miscellaneous receipts such as interests and dividend was Rs. 379-8-11 making a total of Rs. 1,332-15-2. A sum of Rs. 1,126-8-6 was spent in the publication of pamphlets, propaganda tours and meeting charges etc., working out a surplus of Rs. 206-6-8 against a sum of Rs. 261-3-9 in the previous year.

8. *Library*:—During the year three more publications, "The lifted lid", "The Birdge", and "the Scope shovel", have put the Madras Bulletin of Co-operation on their free list. Some of the periodicals were circulated to the Co-operators by the Editor.

9. *Conference*:—The thirteenth Madras Provincial Conference held as usual in the Christmas week was presided over by Sir K. V. Reddi Naidu Garu B.A., B.L., M.L.C. The special income of the conference was Rs. 2,605-13-0 against a sum of Rs. 3,022-4-0 actually spent. The deficit of Rs. 416-7-0 was since met from the union account.

10. *General remarks*:—Government sanctioned a grant of Rs. 1,200 to this union for training classes for supervisors for the current year and the class was opened by the Honourable the Minister for Development.

(Sd.) A. RAMANUJACHARIAR,
Deputy Registrar.

(True copy)
K. NARAYANASWAMI MUDALIAR,
For Deputy Registrar.

Receipts.

	Rs. A. P.	Rs. A. P.
I. A. *Contribution under By-law VI* :—		
(a) Provincial Societies... ...	105 0 0	
(b) Central Banks	370 0 0	Bulletin A/c
(c) 1. Supervising Unions ...	451 0 0	2,068 4 2
2. Trading Unions	17 0 0	Union A/c
		953 6 3
	1,851 12 5	
(d) 1. Unlimited societies ...	104 12 0	
2. Limited societies ...	122 2 0	
(e) Realisation of V. P. charges ...		
Total ...		3,021 10 5
B. English Bulletin subscription ...	2,970 6 4	
C. Tamil Bulletin subscription ...	616 11 8	
D. Miscellaneous		
1. Interest and dividend	341 12 5	Bulletin A/c
2. Rebate	86 7 9	
3. Sale of old Bulletin	103 8 0	3,829 9 9
4. Sale of Pamphlets	37 12 6	Union A/c
5. Advertisements	52 8 0	379 8 11
Total ...		4,209 2 8
II. *Arrear Revenues* :—		
(a) English Bulletin	82 7 10	
(b) Tamil Bulletin	419 0 0	
(c) Telugu Bulletin	190 13 0	
Total ...		692 4 10
III. *Suspenses and Advances* :—		
(a) Tamil Bulletin contribution suspense	63 11 4	
(b) Tamil Bulletin subscription suspense...	296 11 0	
(c) English Bulletin subscription suspense	837 4 3	
(d) Individual suspenses ...	500 8 5	
(e) Individual & conference advance.	1,178 13 6	
Total ...		2,877 0 6
IV. *Withdrawals from Banks* :—		
(a) Savings Bank Account ...	2,525 0 0	
(b) Prudential deposit account ...	400 0 0	
(c) Current Account	5,077 10 11	
Total ...		8,002 10 11
Net total		18,802 13 4
Opening balance		154 14 5
Opening balance by stamps ...		3 4 9
Grand total		18,961 0 6

Charges.

	Rs. A. P.	Rs. A. P.
I. *Bulletin Account* :—		
1 Paper for printing	1,130 13 1	
2 Printing charges	1,808 5 6	
3 Blocks and drawings	21 1 0	
4 Honorarium	450 0 0	
5 Proof correction and translation ...	224 13 6	
6 Stamps	788 5 9	
7 Stationery	71 13 9	
8 Establishment	820 8 0	
9 Typing	92 15 0	
10 Rent	240 0 0	
11 Contingencies	130 12 0	
12 Books	39 6 6	
13 Binding	17 12 0	
14 Miscellaneous	24 4 3	
Total ...		5,860 14 4
II. *Union Account* :—		
1. Travelling allowance to Governing body members	240 12 0	
2. Tour and propaganda expenses ...	181 3 6	
3. Pamphlets, printing and paper ...	69 2 0	
4. Printing of translation of Maclagan Committee Report	100 0 0	
5. Tamil Unions' Mis. Donation to the International Co-operators' Day Celebration	136 1 0	
Donation to Flood Relief Fund ...	7 7 9	
Donation to the XIII Provincial Conference	325 0 0	
Committee expenses for Mortgage Banks	22 11 0	
Social and Tiffin charges for G. B. members	15 2 9	
Postage and Telegrams ...	17 2 6	
Other Miscellaneous	11 14 0	
Total ...		1,126 8 6
III. *Arrear Account* :—		
(a) 1. Stamps	5 6 6	
2. Typing	10 0 0	
3. Miscellaneous	19 6 0	
(b) *Charges debited to arrears* :—		
1. Furniture	44 7 3	
2. Refund of shares and dividend.	111 14 4	
Total ...		191 2 1
IV. *Deposits and Investments* :—		
1. Savings Bank Account ...	1,687 0 1	
2. Prudential Deposit	1,087 11 5	

3. Current Account	5,058	14	5			
4. Fixed Deposit in the Madras Central Urban Bank	2,000	0	0			
5. Shares in the C. C. P. Works ...	130	0	0			
Total ...				9,969	9	11
V. Advances :—				1,239	3	0

VI. Suspenses :—

1. Suspenses returned out of Rs. 63-11-4. Tamil contribution suspense received in 1924-1925 ...	4	0	0			
2. Suspenses remitted to the Government	4	8	0			
3. English Bulletin Subscription suspense returned do ...	30	8	0			
4. Tamil Bulletin Contribution suspense returned of 23-24 out of Rs. 264-12-9	115	12	9			
5. Other suspenses	42	2	0			
6. Refunded out of Rs. 317-12-5 received in 1924-1925 ...	275	1	11			
Total ...				472	0	8
Grand total				18,853	6	6
Closing balance				94	10	9
do. by stamps				12	15	3
Net Total				18,961	0	6

Assets.

I. (a) Cash on hand	94	10	9			
do. by stamps	12	15	3			
(b) Cash in the Bank :—						
In the Indian Bank in Savings Bank Account ...	323	12	7			
In the M. C. U. Bank in Prudential deposit account ...	687	11	5			
In the M. C. U. Bank in Current Account	17	9	5			
Total ...				1,136	11	5

II. Investments :—

(a) Shares in other Co-operative Institutions :—

1. The Madras Central Urban Bank...	100	0	0
2. The C. C. P. Works	730	0	0
3. The Sadananda Co-operative Press.	25	0	0
4. The T. U. C. S.	5	0	0

(b) Deposits :—

1. In the M. C. U. Bank as Reserve Fund of old constitution ...	130	15	4			
2. In the M. C. U. Bank as Fixed Deposit	3,500	0	0			
Total ...				4,490	15	4

II. *Stock :—*

(a) Books and furniture as stood on 30—6—24	557	0	0			
Purchased during the year ...	39	6	6			
Furniture purchased in the year...	44	7	3			
	640	13	9			
Deduct deprecation 15 per cent...	96	2	1			
	544	11	8			
(b) *Publications for sale :—*						
Conference notes and papers ...	230	0	0			
Pamphlets	22	11	6			
Bound Tamil Bulletins of 23—24	60	0	0			
Tamil Bulletin of 24—25 ...	5	0	0			
English Bulletins of 24—25 ...	95	0	0			
(c) Paper with C. C. P. Works ...	121	5	0			
(d) Value of Bicycle 119 0 0						
do. Typewriter 235 10 2						
354 10 2						
Deduct depreciation 15 per cent 53 3 2	301	7	0			
Total ...				1,420	3	2

IV. *Outstanding bills pending realisation :—*

1. Out of Rs. 114 of 23—24 ...	28	0	0			
2. Under Bylaw VI for 23—24 ...	280	0	0			
3. English Bulletin arrears Rs. 5 written off	262	13	0			
4. Tamil Bulletin arrears Rs. 9 written off	3,468	14	0			
5. Telugu Bulletin arrears... ...	984	2	4			
6. Outstanding bills of 23—24 ...	22	12	0			
7. do. do. 24—25 ...	2	0	0			
8. Advertisement fees for 24—25 ...	54	0	0			
9. Advances of 23—24	41	3	10			
10. do 24—25	60	5	6			
Total ...				5,204	2	8
Grand total ...				12.252	0	7

Liabilities.

1. Old shares and dividends to be refunded		418 12 6
2. Share deposit of the Apex Bank to be refunded		15 0 0
3. Suspenses to be refunded :—		
1. Out of Rs. 264-12-9 of 23-24 ...	76 6 0	
2. Out of Rs. 317-12-5 of 24-25 ...	42 10 6	
3. Tamil Bulletin contribution suspense received in 24-25 for 25-26	59 11 4	
4. Tamil Bulletin subscription Suspense received in 24-25 for 25-26	296 11 0	
5. English Bulletin subcription Suspense received in 24-25 for 25-26	837 4 3	
Total ...		1,312 11 1
4. Bulletin Dues to be paid to [illegible]		
1. Out of collections in 23—24 ...	33 [illegible]	
2. Out of collections in 24—25 ...	4 0 0	
Total ...		37 9 [illegible]
5. Madras Central Agricultural Committee fund		1.453 10 [illegible]
6. *Bills to be repaid :—*		
1. For Printing May Tamil Bulletin	59 4 0	
2. For Printing June ,, ...	58 8 0	
3. For proof collection June ,, ...	2 4 0	
4. For Translation	12 0 0	
5. For original articles ...	10 0 0	
6. For paper used by the Press for Printing Bylaws ...	2 0 0	
		144 0 0
Total		3,381 11 6
Excess assets over liabilties		8,870 5 1
Grand total		12,252 0 7

The Central Co-operative Printing Works, Ltd., Madras.