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"If the system of Co-operation can be introduced and utilised to the full I foresee a great & glorious future for the agricultural interests of the country"—
His Majesty's Reply to the Delhi Municipal Address, 13th December, 1911.—

Vol. XIX.] AUGUST 1927 [No. 2.

PRINCIPAL CONTENTS.

(For Detailed Contents, Please see inside.)

The Madras Provincial Co-operative Union,

ROYAPETTAH, MADRAS.

Su[illegible] per annum R[illegible] Free for all members except Local Tamil Districts, and Urban Banks which pay less than Rs. 4.

[illegible]aints of non-receipt of parts will not be attended to if received within a fortnight after the due dates.

The Gover[illegible] indebtedness w[illegible] credit was pro[illegible] the clutches of

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THE MADRAS BULLETIN OF CO-OPERATION

P.G.U.

ALL FOR EACH and EACH FOR ALL

VOL. XIX.] AUGUST 1927. [No. 2.

The Editorial Committee do not hold themselves responsible for views expressed by contributors. Contributors are requested to write legibly and on one side of the paper. Payment will be made for news and articles at the discretion of the Editorial Committee. Manuscripts will not be returned unless stamps are sent to cover postage. Matter intended for the issue of any particular month should reach the Committee before the last week of the previous month.

CO-OPERATIVE STORES—ACTUAL AND THE IDEAL

BY MR. V. SARANATHACHARIAR, B.A.,B.L.,

Tiruthuraipundi.

Co-operation may be defined as a voluntary association of individuals combined together on a basis of equality with a view to improve their social and economic conditions. Its principles have been differently applied in different countries, necessitated by special difficulties. In India and in the Madras Presidency in particular, the movement has been brought into existence by the initiative of the Government by a special Act. The main object has been to help the agriculturists, so as to secure the economic uplift of the rural population. The Government thought that the best way to relieve the rural indebtedness was to start credit societies, wherein cheap and facile credit was provided for, thereby freeing the agriculturists from the the clutches of the usurious money lenders.

Credit—not the only need of the Agriculturist.

Credit Co-operation alone cannot do all that is required in the direction of the protection of the agriculturists. No country in the world has hoped to save its people from indebtedness merely by creating facilities for borrowing, Credit co-operation has but touched the fringe of rural indebtedness. There are other monsters besides the usurer against whom the ryot has to combat. The ryot in the village loses far more on his purchases in the profit seeking retail shops and sales to the retail dealers, than he gains by way of reduced interest at which a credit society lends. " The exactions of a moneylender are visible and measurable, while those of the profiteer are invisible and immeasurable and more impoverishing." Hence " the usurer is but a dwarf when compared with his elder brother the profiteer, who is a veritable giant."

Further credit is only one of the ryot's requirements. The salvation of the ryot does not end with satisfying one of his needs. There are other multifarious needs of his, for instance—adoption of the various improved methods of Agriculture, organisation for marketing and selling his produce, his professional needs, such as economic purchase of seeds, implements and manures, securing facilities for irrigation, and his most uneconomic purchase of his household requirements. These and other problems could not be solved by mere credit alone.

Benefits of Consumers' Co-operation.

Consumer societies satisfy the needs of its members by providing them with genuine and pure articles, free from the false weights and measurements, the vile tricks of and higgling with the private shop-keepers. They provide their members with suitable homes and cheap education. They infuse a better corporate feeling. "They save them from the pitfall of indebtedness which ever awaits with a yawning mouth." In addition to these, they succeed in effecting a saving unconsciously and automatically. Such a saving involves no abstinence, no restriction in the amount of goods one consumes or in its quality. The more a member buys, the more he saves but yet he spends no more by buying at the stores than by buying elsewhere. Without spending an extra pie, the members gradually find themselves transformed into capitalists and the capital so secured can be used with advantage in increasing the articles of production and securing labour for the unemployed. It is in consumer societies that we find innumerable occasions for training in the golden principles of economy, thrift and self-help. It gives practical education in the matter of economics and accountancy and provides us with experience in serving

a common cause, thereby rendering us all fit for the task of self-government and raises us to the rank of administrators.

Value of Co-operative Education.

The primary condition of the success of any movement, among the people for whose benefit it has been set on foot, rests on their being educated as to the aims to be pursued and the methods to be adopted for the accomplishment of such aims. This kind of co-operative education till very recently has had no place in all co-operative activities in this Presidency. Even the Triplicane Urban Co-operative Society, the biggest distributive institution in this Presidency, which stands to gain both morally and materially by co-operative education and which has funds of its own for such purpose, has stood aloof either in ignorance of the benefits of co-operative education or in utter indifference to its needs. Consumer societies in particular have to depend upon the mental and moral equipments of their members, such an education lies (1) in the direction of practical instruction to employees and officials of societies ;

(2) in printed matter in the form of leaflets, pamphlets, co-operative newspapers and magazines ;

(3) lectures by eminent Co-operators who have obtained distinction in the field ;

(4) holding of classes in local centres and educational institutions;

(5) Circulating libraries and free reading rooms.

Causes for the failure of the Consumer Movement in this Province.

When one takes stock of the progress attained by consumer societies so far in this Presidency, he has to conclude that almost all of them except with some notable exceptions, such as the Triplicane Urban Co-operative Society, have not progressed to a marked degree. Some say that the Indian soil is not congenial to the growth of such a movement but its spread in many lands shows this reason to be faulty. The reasons for such failure are:—

(1) Lack of education in the principles of the movement. The besetting sins of the store movement are fostered by the general apathy and indifference, want of self-confidence and loyalty on the part of those connected with the movement. There is a feeling among the members that a society belongs to the Committee or the manager, and that they have no part in it except drawing the dividend. This feeling can be rooted out only by developing a strong consumer's interest after a good deal of propaganda work. Members must be made to realise in season and out of season that every one is an integral part of

the movement and that each one has a share in promoting the success or failure of it. As a first step in this direction, there is an imminent necessity for a meeting of the office-bearers of store societies which will enable them to exchange notes of work, discuss their difficulties and resolve on aids, mutual and collective.

(2) Lack of thrift and self-help among the members is another noteworthy cause of failure. Many a society advocate credit sales, a negation of all thrift. They encourage borrowed capital, a negation of all self-help. Credit leads one to poverty and ruin. "He who is in debt is owned by others....No one is independent who is in debt." Even the drinking habit of the people of this country is not so demoralising as the credit system.

(3) The next stumbliing block has been the absence of a wholesale society which can supply good, guaranteed articles at fair prices throughout the year. As individuals have combined, so societies should combine and centralise their enormous purchasing power. A combination of all stores into a wholesale would save them from the profits earned by wholesale dealers and commission agents. Besides a general clamour for a wholesale society, there are not sufficient men in our societies who have experience in commercial enterprise. Even the best of our societies are but amateurs in the matter of purchase. Very many stores buy at random without any system from various individual merchants. Even the few moffussil societies affiliated to the Triplicane Urban Co-operative Society do not derive much encouragement in the matter of buying, for it does not command on its staff some of the best experts on buying and salesmanship. The method of purchase which obtains there is this. A testing committee, which is not expected to know the name of the merchant who supplies the goods or the price of the commodities, passes or rejects articles submitted to them for approval. The purchasing committee then purchases the articles so approved from the lowest bidder. In such cases, there is no guarantee that the articles supplied will be the same throughout the year as various merchants supply at various periods of the year and there are many chances for adulteration of goods in order to bid at the lowest price.

(4) Another indispensable requisite for the successful working of a store is a capable manager, who has an up to date knowledge of economics, who knows the law of supply and demand, who is imbued with true business instinct, clever in accountancy and supervision, and with a genial temper infusing scrupulous honesty among the staff.

(5) Absence of a well trained salesman, courteous to the customers, with a perfect knowledge of the things offered for sale, quick in understanding the mind of the customers, rousing their interest and effecting a suggestive sale, is another cause of failure.

(6) In addition to these, there is a dearth of enthusiastic and well versed directors, who take keen interest in improving store activities, conducting exhaustive quarterly stocktaking, studying local conditions and making practical suggestions.

(7) To crown all, there is the inefficient audit by persons untrained in all aspects of store work, so as to point out the bad purchases effected, chances of an advantageous purchase or sale and suggesting successful methods of work suited to local conditions, with a knowledge of the working of sister institutions.

The failure of many a store is due to the dishonesty on the part of the salesman. As soon as goods are received, they must be weighed, measured or counted as the case may be, and the difference between the supplier's figures and the actuals must be noted. When the articles are dried or cleaned, the wastage must be noted by a responsible official of the society. In order to secure safety of goods, the sales must be classified daily and the balances struck each day. Quarterly stock must be taken invariably and the excess deficit noted by the Directors. False weights and measurements can be avoided by surprise visits and sudden checks. When the receipts are checked daily, if we note whether the various articles have been sold for their correct price, loss in money can be avoided. If there is a secretary's godown and if the bags are given to the salesman after noting its contents' loss in quantity can be avoided.

The Rochdale System.

When a student of Store Co-operation seeks for its aims and ideals, he is irresistibly driven to find them in the history of the Rochdale Pioneers. The main features of this type of society are:—

(1) Conducting a society with funds of their own,

(2) supplying the purest provisions,

(3) giving full weight and measure,

(4) charging market prices and not underselling or competing with shopkeepers,

(5) taking no credit or giving any,

(6) distributing profit in proportion to the purchases made,

(7) fixing interest on shares at a low rate,

(8) inducing members to leave their profits in the society to accumulate,

(9) devoting a certain portion of the profits for education and propaganda, and

(10) the democratic right of 'one man, one vote,' whatever may be the share taken on the purchases made.

Causes for success of the T. U. C. S.

The study of the causes that led to the success of the Triplicane Stores will also be of some use. It has been closely adhering to the following principles:—

(1) selling to members only, thus ensuring loyalty of the members;

(2) purchase for ready money and sale for cash only;

(3) distributing profits proportionate to purchases made and not to the share held by each;

(4) The use of a certain portion of the profits for social and educational purposes;

(5) Selling not at the cost price but at the customary retail price;

(6) The building up of a strong reserve and common good fund.

The system of giving the members their profit at once in the shape of reduced prices is dangerous, for all the purchases made by the society are not equally fortunate. If profits made over more fortunate purchases are dissipated by selling the articles at cost price, losses incurred over unfortunate purchases could not be recouped.

Further, it is difficult to judge whether a society is working properly or not, since part of the profit goes direct to the members and never appears in the accounts at all. The extent to which the society has benefited its members could not be seen if this system is followed.

Credit in a Store.

Some advocate the idea of a store having a credit branch attached to it in order to provide its members with financial facilities required for purchasing articles of consumption. Such a combination is improper and impracticable as knowledge of the one is entirely different from that of the other. The profits earned in the store branch will get mixed up with the credit branch and will not be available for proper utilisation in the consumers' branch.

Credit in a store must always be avoided to ensure a quick turnover. The best way to overcome this is, whenever members of credit societies apply for loans for household purchases, they should not be given ready cash but must be made to endorse cheques in favour of of stores which will supply them all the necessaries. The least objectionable scheme would be to induce every member to leave his dividend and bonus in the society itself and to pay a small sum every month as recurring deposit, so that in the course of a year or two he may build a trade deposit of his own.

Utilisation of the Common Good Fund and Reserve Fund.

The Common Good Fund of every society can be every well utilised in providing the members with a library, free reading room and contributing to propaganda work and its Reserve Fund if well built up can be transformed into magnificent buildings owned by the society.

Sales to non-members.

The question of sales to non-members is a most vexed one. Sales to non-members are forbidden on the ground (1) that by selling to non-members we help those who are outside the movement and make members shoulder the risks and responsibilities attendant on the running of such stores.

(2) It also deprives members of the good articles purchased out of funds provided for by them.

(3) It may also lead to stocking of articles without reference to the needs of members.

(4) It will tend to make the store hunt after profits like the ordinary bazaarman. On the other hand, its advantages are (1) incentive to non-members to become members in due course attracted by the quality of the articles sold.

(2) Buying in the name of a member without his knowledge can never be effectively prevented.

(3) Bonus accruing from such sales will be so much additional capital which can be utilised for propaganda work. Even the Rochdale Pioneers seem to have allowed this and the profits earned by such sales went towards what was known as Redemption Fund or the Reserve to meet the depreciation of the stock.

Conditions necessary for progress of Consumer Movement.

If the store movement is to attain any degree of perfection, it lies only in the direction of securing effective purchases. In order to conserve the goods grown in the country for the consumers, in order to regulate and increase production, in order to reduce the cost of production and distribution, and in order to raise the moral and material welfare of the people, it is highly essential to start Co-operative stores in all towns and important villages with a Wholesale Co-operative Store at their head.

In the absence of such a wholesale, the next step lies in the direction of the Provincial Co-operative Union devoting a section of its Bulletin for a periodical review of store societies and publish in its columns the prices of various articles and the persons from whom they can be had at various seasons of the year.

In the absence of this too, it will do well if each society studies and analyses its purchases and sales in the following manner :—

Purchase.

Article purchased.	Merchant and place of supply.	Supplier's measurement and actuals.	Cost price.	Railway conveyance and transmission charge.

Sale.

Article sold.	Member's sales.		Non-member's sales.		Period of sale.
	Quantity.	Price.	Quantity.	Price.	

If each society analyses and compares it with that of other sister societies, the law of supply and demand can very well be gauged with advantage. By securing such effective purchases, the profits of the middlemen are eliminated, production is made to co-ordinate with economic consumption which enables the producer and the consumer to meet on an equal platform under honest and fair conditions which is the aim of all co-operation.

When a store society is started, it has to face various difficulties. Because of the few articles sold, people will complain of high prices and women especially will try to persuade their husbands into believing that they are not getting the usual quality which they were accustomed to elsewhere. Merchants will try to kill such societies by opening shops just near or opposite such societies, under-selling articles and offering credit to customers. Loyalty of members and steadfastness of the principles alone will cure such obstacles. It is not advisable to start store societies in places where there are no chances of commanding a thousand rupees sale a month, for it will not be economic considering the establishment charges involved.

When store societies are started, the following points may well be borne in mind with advantage.

(1) It is advisable to deal in a few articles and stock only such as are required for consumption in a fortnight or at the utmost for a month.

(2) Stocking of articles can be attempted only on the indent system which does not imperil the safety of a society, prevents waste, and avoids the danger of stock left unsold and loss of the interest owing to non-payment by members.

(3) Stocking without indent may be attempted only in regard to those articles free from competition, available only in one season of the year and not till the next harvest.

(4) Sales to non-members may be allowed so as not to curtail in the least the advantages intended to accrue to members.

(5) There must be a large turnover as the difference between the cost price and the selling price is likely to be small in the beginning.

(6) Extensive transactions there must be in order to meet establishment and contingent charges.

In addition to these, sales must be classified daily, balances struck then and there, quarterly balance sheets prepared invariably, and supervision conducted by men specially trained for such work. In order to secure confidence among the members, there must be capable management by expert honorary workers.

RURAL SOCIETIES AND THEIR SUPERVISION.

(By a Co-operator).

Now are the days when every Central Bank is trying to find out an outlet for its surpluses. Where is the key to solve the question? How did it so happen? A thing very difficult to solve. Let us try to examine things as they are, very carefully and minutely. There are the societies and there is the supervising union. What are the duties of the one towards the other? The union waits for the audit order and the moment it is received by the society, the union is very prompt first in the collection of its supervision fund. Why should the society pay it? Why not it refuse to pay? The union wants funds for proper supervision, they say; well, do these unions discharge their duties properly? Where is the supervisor, who is he, and what is his duty? Are these supervisors discharging their duties properly? A downright 'No' is my reply and that of every one else, though many will not say so openly. If these supervisors discharge their duties properly, then there can be no question of overdues or surpluses. All the money would have been absorbed long ago. (In this connection, do not think of Government Inspectors. They say that their only business is audit and nothing else, and it is enough if they do even that conscientiously. This is a thing which every one knows and which every one wants to hide). These supervisors do not visit societies properly. When such is the case, how can the illiterate understand the advantages of Co-operation? The supervisor goes to a village 'X', camps there and writes chits to the Presidents of societies around, calls for the books, checks the accounts and after filling up the printed form, sends his grand inspection report. The Union, the Bank, and the Federation think that the supervisor actually visited the societies and sent his true report. In the report, you will see that almost all questions are answered 'Yes'. Have the members understood the *ten* points of co-operation?—'Yes'. Was the overdue statement read out?—'Yes'. Was this thing done and was that thing done? 'Yes' and 'Yes' are the answers. All 'Yes' and no 'No': But with all this, you see in the end that there are heavy overdues to the Bank by the societies: Why? If these supervisors had well explained at least once the Bye-laws of the societies, their unlimited liability, and the general principles of Co-operation, none would have kept quiet without paying off his debts, and getting fresh loans, except it be under some special untoward circumstances.

What are the unions doing? Why not they exercise proper control over them? Here also another 'No'. They do nothing in the matter. Think for a moment that the moneys that are being collected by the Bank are got, leaving aside some exceptions, not because of any special efforts of the supervisors but because of the members' own feeling of duty and responsibility, and partly also due to the exertions of office-bearers. The supervisor is a native of the village, and the panchayatdars of the union are also very familiar neighbours. The supervisor takes advantage of the familiarity. If any complaint comes from outside against a supervisor, the union, putting all heads together, tries all possible ways to shield him, for the question of familiarity comes in, and moreover his father or brother or some grandfather was at one by-gone age a friend of the union panchayat. It is generally so. The unions say that they alone should have full powers over their supervisors. The Bank or the Federation has practically no control over them. Suppose 'x,' a supervisor, is not doing his work satisfactorily. The Federation wants with its varnished powers to transfer him to some other Union; sends an order accordingly to the Union. The Union says "We can't." A full stop! The Federation cannot do anything further, and the Bank equally so. It is well said "to abstain as far as possible from the exercise of that power, to recognize that the more the unions are left to themselves the better they will work—". I quite well agree with this. Let the Unions have full powers over the societies, but the supervisors should be under the entire control and guidance of either the Federation or the Bank. Then alone the fear of transfer or some other punishment working within will make the supervisors turn out good work. Let the supervisor visit bad societies often, and see how they cannot work on sound lines. The main defect lies in the supervisors not visiting societies at all. If there is any one with patience, let him go and enquire in the societies, and he will see that either the Supervisor had not gone to the village at all, or if at all he has visited the society, it would be only once or at the most twice in the year. Not more than that. Then how can you expect prompt collection of overdues? In unions where the area is compact (within a radius of ten or twelve miles) and where on an average there are not more than twentyfive societies in each union, guess how many times a supervisor can visit each society. Frequent visits to bad societies have the magnetic effect of turning them into good ones. These supervisors may give false diaries and false reports. Then how can this be stopped?

Now comes the question with Central Banks. They should set aside the penny-wise and pound-foolish policy. The Banks should have an executive staff of at least one supervisor or inspector of their own. It is his duty to get tour programmes from the supervisors at least one complete week before their actual tour, fish out from the various ledgers what necessary information is expected of him by the Bank, send proceedings to that effect to the supervisors.

Finishing this, the Bank's officer should make surprise and flying visits to societies where he expects the supervisor, and see whether the supervisor has come there or not. Note what happens and verify from the diaries received. You are sure to catch hold of the delinquent. When some one or two cases are caught, give the delinquents exemplary punishment and it will mend the other supervisors. These supervisors, now out of fear of being caught, and of necessity, will do their work properly and correctly. Try this experiment once and see how overdues accumulate in societies. But some may say that all this fuss discloses want of tact. Gentlemen, do not think so and come to a hasty conclusion. Ponder over it, for the supervisor forms the hinge of the movement as a whole. When paid servants are not turning out substantial work, do not expect anything from honorary workers. The little that honorary men do should be considered great. **Exercise full power over the supervisors and show your tact in Societies.** It is here that tact is required. Gentlemen, **this too may fail for want of proper selection of the supervisor by the Central Bank.** Only when they can find, out of personal experience, a true, honest, sincere, and conscientious worker, let such a man be selected.

It is only then the end is served ; or else it is lost. **Proper selection, Proper selection, and Proper selection.** If the selection is out of favouritism or communalism or some other **ism**, be sure it is only a waste and the game is lost. Even if there is only one such man, be sure of its success. In this connection, the most important thing is that they should keep quite true to tour programmes. Or, this may be done if the Central Banks are short of funds. Let the supervisor maintain a notebook. Whenever he visits a society, he should obtain the signature of the President or Secretary or if possible, both, and have the date and period of stay noted. As soon as he returns to Head-quarters from each trip, the notebook should be shown to the union President or Secretary and get initialled by him, and then finally verified with his diary.

MORTGAGE LOANS AND ATTACHMENTS.

By Mr. K. S. Kailasa Iyer

(Secretary, Tiruvalur Urban Bank.)

There seems to be yet one difficulty for a credit co-operative society in satisfying itself as to the non-existence of any lien or encumbrance on immovable properties sought to be mortgaged to it, and that is "*Attachment*." Attachments are made by Civil Courts in Execution of Decrees as well as by 'The Revenue Department for arrears of Land Revenue etc.' As to the effect of these attachments, I think it is clear that any mortgage or security created pending the duration of attachment would be legally void, or at least that they would not hold good as against claims enforceable under that particular attachment. No special registers are maintained either in the Registration Department or by Civil Courts and Revevue Offices showing the details of these attachments so that the public can get copies of the same as is done in case of other encumbrances. In case of Court sales and Revenue sales, copies of sale certificates are required to be sent automatically to the respective Sub-Registrars and Collectorates. Unless something is done to ensure this kind of safety to Societies, I fear that at least some mortgages taken by them are bound to fail. If the Civil Courts as well as the Taluq Offices (Revenue) are required to forward copies of all attachment accounts concerning immovable property to the respective Sub-Registrars, they could be asked to index them with other encumbrances and grant certificates accordingly. The Societies of course should ascertain and satisfy themselves in each case whether such attachments are subsisting or not. It is therefore earnestly hoped that our Registrar would be pleased to consider this difficulty and take proper measures for remedying it.

CO-OPERATION AND LOCAL SELF-GOVERNMENT.

By Mr. G. Venkoba Sastri, Adoni.

The natural instinct of all animals including man himself is to seek freedom ; but in trying to be free, man often exhibits his selfish nature. "It is enough if they attain to freedom. What matters it, if others are not free ?" think some. "We alone are entitled to freedom, others must be dependent on us," think others. It is as a result of this sort of combination of selfishness with the desire for freedom that we witness in the economic sphere such phenomena as that of the rich grinding down the poor, huge capitalists sweeping workmen and labourers, big planters treating the plantation coolies like slaves, money-lenders preying upon their debtors and even petty landholders tyrannising over their serfs. Riots, rebellions, strikes and such other occurrences are only the efforts with the aid of which the individually weak and forlorn classes strive by combining together to free themselves from the oppression of the strong. Such convulsions are observable even to-day in the economic world from time to time, and bring in their train very large amount of suffering and misery to both the parties concerned. To avoid such sufferings and at the same time to enjoy the fruits of economic independence, socialist leaders of Europe devised what we at present term 'the system of co-operation' by which the weak pool their limited resources together and work their economic salvation. These principles of corporate and organized action have been carried into almost every department of human life and activity in the places where co-operation has advanced and as a result thereof the lower poorer and weaker classes have steadily risen higher in point of economic independence.

Organisers of co-operative societies know but too well that the members in general do not take continuous interest in the affairs of their societies. The whole burden of the management of the society naturally falls in every case upon the small managing committee. Even among the managing committee, the initial enthusiasm often wanes and the interest of many a member tends more and more towards a lifeless and mechanical discharge thrust on him. It is no wonder therefore that a seat on the managing committee is often looked upon more as a nuisance than as an honour, and there is little in the matter of what the average men of the work-a-day world can bring himself to appreciate, the gloomy outlook does not tend to brighten up by any means.

Co-operative societies are essentially societies of poor folk. The present state of the country and the system of the administration are such that the grievances of these folk cannot reach far enough to the ears of those in authority. Election of the panchayat of a co-operative society must depend mainly upon the extent of the claims which the candidate has established to popular support by virtue of his disinterested services. Indeed, the strength of support with which a person is elected to the panchayat of a society can be said to be a fair index of the degree of the estimation in which he is held by the villagers among whom the society works.

The other public bodies of the country, such as Taluq Boards, District Boards, Municipalities, Chambers of Commerce, Trade Associations and Planters' Associations, are all composed wholly of men of affluence. They are also men of influence and are respected and heard everywhere. They can send representatives to the legislative councils. But of what use is it? It is only the big men that are benefited by such representertation and the poor derive no benefit thereform. A large portion of the Taluq Board's funds, for example, is being spent year after year upon catering to the needs and attending to the conveniences of the few towns and urban areas in their jurisdiction. The money spent on objects of vital importance, such as the making of necessary new village roads or efficiently repairing old ones, or putting bridges or foot bridges across rivers and streams, is so very little. It is the same tale in the Municipalities also. The roads to which greatest attention is paid are only those which are being used by the rich and the great persons and officials for business or pleasure. Streets lanes and alleys frequented by the poorer classes claim scarcely any attention unless perhaps they happen to be over-run by epidemics such as plague and cholera. Why should this be so? Is it not because the poor and the weak cannot make themselves heard far enough and forcible enough? Candidates to Local Boards, Municipalities and Legislative Councils are required to be persons possessing certain qualifications, such as that of holding a university degree, or paying a certain minimum of assessment or being assessed with income-tax. Similarly, voters entitled to elect the candidates are also required to possess the like qualifications. The number of such qualified persons among our poor co-operative brethren is very small indeed. It is therefore hardly possible for the majority of the growing masses of co-operators to be adequately represented in the Councils of the State. That is the reason why the grievances of the poor people remain unheard by those in authority. It cannot but be admitted that panchayatdars of co-operative societies have an intimate knowledge of the condition and needs of "the dumb millions and illiterate masses." If therefore some seats are reserved on Local Boards, Union Panchayats and Municipalities for co-operative societies or if at least service as panchayatdars of co-operative societies is also included among the qualifications of voters and candidates for Local Boards and Municipalities, it will be possible for the co-operators, who are the real and the fittest representatives of the masses, to get into touch with real popular views on all the questions which come up before them. Co-operators in England are at present engaged in a vigorous attempt to secure for their movement adequate representation in the House of Commons. It is therefore desired to urge upon the authorities concerned, the claim of us the poor, the weak and the humble co-operators, as an integral part of the vast population of this great and historic land to be represented adequately in the Councils of the State.

DISTRICT FEDERATION *vs.* DISTRICT BANK.

By Mr. C. Venkataramana Iyer,

(President, Chittoor District Bank).

One of the important subjects discussed at the conference,* if not the most important subject so far as co-operative credit societies are concerned, is who is to control the work of supervision of the primary village societies. Is it the District Federation or the District Bank? It is admitted on all hands that the primary societies are not working quite satisfactorily and that they require a great deal of rectification and pulling up. The reasons are in most cases, I shall assume, illiteracy and want of a proper understanding of the principles of Co-operative Banking; there are also cases of positive dishonesty revealing benami loans and misappropriations to which any sincere worker should not shut his eyes. The management of these primary societies is vested in Panchayats in which the influential persons of the village are members. The village manager and karnam are almost invariably in the executive.

The present condition of these societies, about which there are no two opinions, has brought about this peculiar situation. There is a clamour for more money from the primary societies and there is an equally loud clamour of heavy surpluses from the Apex and several Central Banks. What is this due to?

Loans are taken, let us assume, by all the members, and there are no benami loans and missappropriations. From my experience, I find the Panchayatdars themselves are the worst defaulters and naturally they do not command that moral strength to see every other borrower fulfils his engagement and repays the amount borrowed regularly.

* XV Madras Provincial Co-operative Conference held at Madura last April.

The District Bank is naturally afraid of lending more to a society which has not kept up to its engagement and which in many cases has not paid anything for principal for a number of years.

As the District Bank is located only at the District Headquarters, it was thought desirable to vest the supervision of these societies in Local Unions, the Governing Body members of which are elected by these primary societies; added to this, there is the newly ushered in District Federation, which is composed of representatives from the unions; it also allows one or two representatives from the District Bank.

Though the idea of the Local Supervising Union was very well conceived, its utility at any rate under the present conditions is open to doubt. Composed as it is of representatives of defaulters, what is the supervision it can be expected to do, and what is the District Federation which is again a body of representatives of such representative defaulters be expected to do.

With very great respect to the advocates of the Federation, I venture to assert that they confuse the theoretical with the practical working of the societies. It is true there is a by-law which says that if a Panchayatdar of a society is a defaulter, he ceases to be such *ipso facto* and I have no quarrel with the Federationists if this by-law is enforced. Of course, care should be taken to see that the Panchayatdars do not take loans in the names of others.

The objection urged by the Federationists to the supervision by the District Banks is that they are concerned only with the financing of money and that if supervision is left into their hands, they may not sympathise with the hard lot of the borrowers. Here again, there is a fallacy. The management of the District Bank is in a Board consisting of representatives of the Unions and some individual members. Even here, the representatives of the borrowing societies preponderate in a large number.

The complaint therefore that the District Bank is likely to look only from the lender's point of view is incorrect. On the other hand, if one judges from the number of society representatives, the lenders and the depositors may well complain that it is managed only by the borrowers and not by the borrowers and lenders as it ought to be.

I was therefore not a little surprised when I heard Dewan Bahadur R. Ramachandra Rao move his proposition that the supervision should be under the control of the Federation or the Central Bank or Joint Committee of both, but I soon understood, that he meant it to be a kind of a compromise resolution

as there were a large number looking at the movement only from the borrowers' point of view. Though the Honourable Mr. V. Ramadas, the leader of the Federationists, supported this compromise proposition in the interests of real Co-operation, his followers who were numerically strong have shot ahead of him and passed a resolution that supervision must be only under the control of the Federation. I doubt how many who voted for the resolution were really entitled to vote. It was too much to question at the Conference whether they were not defaulters and whether they did not cease to be Panchayatdars *ipso facto*. But the public will always remember the fact and give only such weight to it as it deserves. The tyranny of the majority cannot go further. The Federationists did not wish to take even local conditions into consideration: they passed a resolution applicable to all Districts. It was sought to thrust supervision by the Federation in all Districts without regard to local conditions.

Before closing, I wish to make my position clear. I do not wish to be understood that I am characterising all society representatives both in the Unions and in the Federation as defaulters. There are honourable exceptions and I have great regard for them. But I do say that most of them, more than 75 per cent of them, are defaulters and I challenge any one to contradict me if he can. In fact, as one of my friends who is a strong Federationist remarked, 'if the rule of excluding defaulting Panchayatdars is enforced, there will be no primary society at all.'

There can be no doubt that the District Bank as the financing institution and as one responsible for the moneys lent must have supervision under its control. In fact, such a right is conceded in the case of societies not affiliated to the unions. The reason holds good with regard to societies affiliated to Unions, if the latter do not function properly.

RECENT UTTERANCES.

(Extracts from Speeches)

RAO SAHEB V. KRISHNASWAMI RAO

(Chairman, Reception Committee, Eighth Nellore District Co-operative Conference, 1927)

Dt. Conferences:—For all we know of our co-operative conferences, there need be no hesitation in affirming that they have ceased to serve any great useful purpose. Time was when the need for such gatherings was imperative. The co-operative movement, at least in its general aspects, no longer stands in need of advertisement, and as a means of dissemination of knowledge bearing upon the intricate problems of co-operation, a conference on a district basis is far from suitable. The smallness of these gatherings betokens, if anything, only the waning concern of our people, including those associated with the management of co-operative institutions, in these annual conferences which mean admittedly considerable expense and labour. The field of co-operation is pre-eminently one in which less talk and more work and that, of an intensive character, are needed from day to day. What then is the purpose of a district co-operative conference as it is now constituted? Surely, it is not a business conference of co-operative officials and their subordinates organized for taking stock of their achievements during the preceding year and fixing up a programme for the coming year. The conference is a quasi-official body consisting of representatives of societies scattered over the whole District and deliberating upon problems affecting the future of the co-operative movement. The resolutions passed at the previous sessions do not however disclose any anxiety to deal with the institutions as they now exist, to improvise means to reorganize them where they have not shown satisfactory progress, and to carry the benefits of co-operation to villages hitherto untouched by this movement. All this work is left, as a matter of course, to Inspectors and Supervisors with the result that defalcations to the tune of hundreds, and even thousands, have gone on either undetected or undealt with for years together.

The need for small business conferences.—What is required is a programme of work for each Union area, a programme for the carrying out of which every director of the Union should be held answerable. To attain this end, a conference, purely a business conferenoe of societies affiliated to each Union, is required. A minute scrutiny of the affairs of each society at the end of each year, the adoption of drastic measures in respect of bad societies or unscrupulous individual members and a scheme for constructive work for the year to come ought to be among items of business for such a conference. This would lead to a division of labour among the Union directors and impose upon them a substantial measure of responsibility, besides operating as a stimulus to societies to exhibit at the conference as clean a record as possible. Thus the need is not for one district conference but for a number of smaller conferences, in fact as many conferences as there are supervising Unions. A District Conference may be summoned periodically and reserved for deliberating upon high problems of co-operation. We should thus be saving our resources for solid achievement instead of wasting them upon speech-making in support of resolutions almost of an omnibus character.

Federations and Audit Unions Superfluous.—Federations and auditing unions with their costly establishments would then be superfluous bodies. Sources of revenue which legitimately belong to the Supervising Unions have been diverted for expenditure by Federations rendering the finances of the former bodies scantier than before, so that Unions are hard put to it to manufacture resources for making an adequate provision for the supervision of societies by the directors and other imperative needs. I am aware of the federation's privilege to supplement the funds of unions when necessary. But why this circumlocutory process of making a contribution which, more often, is not sanctioned in the measure in which it is required. The utility and the efficiency of these unions is marred to a degree by this uncalled for diversion of funds which rightfully belong to the unions. Every circumstance I can think of points to the supreme need for making the unions as efficient and as self-contained as possible, and for holding them at the same time answerable for the proper working of societies affiliated to them, retaining such departmental control in the matter of audit and other material particulars.

U. KAN HLAING.

(Joint Registrar of Co-operative Societies, Burma :—Extract from his speech at the recent Agricultural and Co-operative Conference at Maubin).

The controller and the controlled—The main objects and aims of Co-operative Societies are, in brief, to better our economic status and to uplift us morally. It is not an easy task to achieve the end aimed at. The controlling agency must be equipped with sufficient intellectual capabilities, financing powers, and also have a good supply of earnest workers. Those who are controlled should again possess such qualities as the four *Sampadas*, viz: (1) Ottana Sampada, properly guided energy. (2) Arakkha Sampada, proper up-keep of one's earnings; (3) Kalayana Meittata, good society. In this respect, it is to be noted that it is only when we ourselves possess the attibutes of true friendship that we can hope to secure good friends; and (4) Sama Zivita, living within one's means, bearing in mind the possibilities of unforeseen events.

MR. M. V. SUNDARA RAO PANTULU,

(Chairman of the Reception Committee, Vizagapatam District Co-operative Conference, dated 8-1-27).

Our scheme of Rural Reconstruction.—A bold and courageous scheme would enable rural societies to extend adequate credit, with a view to free the ryot from indebtedness, improve his cultivation and thereby increase the produce of his land and undertake sale of produce of the ryot. Intelligent and educated honorary workers with necessary knowledge in more numbers are required for working out the scheme.

* * * *

One serious handicap is that the present day village politics are such that an educated young man cannot be a satisfactory leader in them. If a scheme on general lines is formulated and the educated few are made to work it in harmony with the required amount of official control, there can be considerable awakening in our rural parts.

Trading Unions.—There are some trading unions and loan and sale societies working in this Presidency. The latter seem to be doing some useful work in the matter of holding up produce for a better price by advancing monies on the produce and arranging for its sale. In course of time, they may prove to be of considerable service to the ryot and successfully compete with the middlemen. Here also a comprehensive scheme is necessary for arranging a sale of the produce on a large scale and endeavour to eliminate the middleman. If rural societies are sufficiently organised under the above scheme of rural reconstruction, technically trained men may be secured to make this scheme of marketing a success.

MR. K. V. RAJESWARA RAO.

(Chairman of the Reception Committe e 7th East Godavari District Conference).

Lack of Co-ordination among Banks—Although there are some decided advantages in having four banks in four different parts of the district, it is a pity that there is no co-ordination among the banks in using their surplus money. The town banks of Cocanada and Rajahmundry are receiving more deposits than Ramachandrapur and Amalapur banks and the latter solely depend upon the Apex Bank for their money. The banks are refusing deposits because they could not utilise the money. Thus the movement is handicapped in the inflow of money. If there had only been one bank in the district, there would not have been so much of establishment or of unhealthy competition. There would also be additional advantage that all the surplus money could be used to establish branches of the bank in different parts. The fusion of these banks into one does not seem to be possible under the present circumstances. Arrangements have to be made for co-operation in using the surplus money of one bank by the other. But the Department does not agree to this proposal. I presume that the time has come for the co-operators and the Department to come to a definite understanding about this matter.

* * * *

Want of funds for Propaganda.—If more has not been done in the direction of diffusing knowledge about co-operation and its ideals among the masses, it is due to lack of funds. It is unfortunate that there is not a right understanding of the movement by them. Increasing efforts should be made to propagate the usefulness of the movement.

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A matter of prestige.—The work of the societies is hampered to a great extent by the inclusion of three districts under one Deputy Registrar's supervision. The Assistant Registrar appointed specially for this district is still undergoing training. Because of the many practical difficulties, it was resolved by the Andhra as well as the Madras Provincial Conferences to do away with the Deputy Registrars' posts. But it is a matter of prestige with the Government not to act up to our advice.

Benefits of co-operation.—After the advent of the co-operative movement, there has been a wonderful change in the villages. Self-help, mutual sympathy and trust, unity, thrift are the order of the day. The members have escaped from the iron grip of the usurer. With the spirit of co-operation, the petty feuds and the communal differences among the villagers are decreasing and there are happy signs of healthy and wholesome growth of village life.

Educational Development.—There are many possibilities for opening new industries such as preparation of cocogem, manufacture of oil and fertilizers, which I hope the Minister for Developement will explore. We have to copy the way in which the co-operative societies in Denmark and Scotland are helping in the development of Cottage Industries.

MR. K. RAMASWAMI IYER, MADURA.

(Extracts from a lecture delivered recently under the auspices of the Madura District Public Servants Co-operative Society last year)

India and Co-operation.—India is a soil best fitted for the seed of co-peration to be sown and the soil is such a salubrious one that it is sure to be productive of a bumper harvest. Of course the seed that was sown so early as 1904 has taken so much time to get itself fairly imbedded in the soil as to put forth a fairly bright young plant full of health and vitality. It may be said that hereafter it is the duty of the educated section of our country to rear up this movement and bring it to perfection.

* * * *

Co-operation in Urban areas.—In Urban areas, we do not ordinarily find among the people that degree of mutual trust and intimate mutual knowledge which are the main characteristics of village people. But in Towns we have got persons who are willing to more readily come forward to subscribe a substantial share capital than the people in a village. What could be said of a society in rural areas will apply with such modification or modifications to societies in urban areas. So far as India is concerned, we all know that the bond of unity is greater and stronger in a village than in a town. Various elements are at play in the case of both. Among the most important causes may be mentioned the proximity of members, their mutual knowledge, the status of members and daily associations as giving room for this marked distinction between the two.

* * * *

Co-operation not new to India:—The term "co-operation" is not a new thing to India but it was in existence even in primeval days and if I may say so co-operation was strongest *then* than it is *now*. Mutual trust, mutual help, mutual understanding and mutual obligation—aspects which go to contribute best co-operation were reigning supreme in those days. No bond was needed, no surety was needed; *a mere word* was sufficient to make crores and crores of rupees if necessary roll in circulation or floating; but as time went on and towns got extended bit by bit in area, all these qualities waned little by little with the result that in an Urban area there is now hardly mutual knowledge, mutual trust etc.

Cottage Industries. —Taking the economic life of India into consideration, the wisest step to be taken by us in a really co-operative spirit will be to develop cottage industries such as those that could be started among cotton-weavers, silk-weavers and brass-workers. At present, the workmen get very little encouragement for their labour and it is the middleman that knocks off all profits. He supplies raw materials and sells finished products at huge profits. Suppose we extend co-operation among them and work; need I say that the result will be quite satisfactory to the labouring classes and advantageous at the same time to the public at large. The cost too will be much reduced. If in Urban areas such societies as above are to be started, it will only be too easy to do so because rich men will be available in large numbers in towns who will be ready to place their resources in a co-operative society where the liability is limited. Among the above class of men even a society on unlimited liability basis may be started because the members are so intimately connected by *proximity, occupation* or *caste* that in spite of their urban character they will be prepared to accept unlimited liability.

Co-operative Store Societies in India.—It may be said that very few Co-operative Stores thrive well in this country but I will have no hesitation in saying at once that it cannot be universally true when there is a solid proof to the contrary in the Triplicane Co-operative Stores. That is a really admirable institution and it stands as a monument of example as to what co-operation in its real sense can do and has done to the people at large in this country. But there is an inherent tendency on our part to always prefer cheapness even at the sacrifice of co-operation. It is only when we can overcome this frame of mind that a Stores can be well worked. Such a society which is started in a town will work well only when a fairly sufficient number of men are loyal to it at least in the initial stages. In plain, they must pledge themselves to go in for things only from the Co-operative Stores though the same sort of things or even better ones could be had elsewhere at a cheaper rate. In towns having very far and wide areas the creation of several Stores in various parts of the town will go a great way towards the economic uplift of the masses in general.

Wage Earners and Co-operation.—A society for salary earners will always be on a limited liability basis and they being subject to some sort of discipline, there won't be much difficulty in lending small sums to them as loans as recovery is easier in their case than in that of others. Fat salaried men and men of huge income must be prepared to come forward for help with money and there will be very many to so come up in towns as their investment is in a sound concern. The main business that has to be done in a society of this kind is teaching what is meant by *punctuality*. The members of the Board of Management must be such as would do their duty without fear and favour, who would not fight shy to take prompt action to remove increase of overdues. At the same time, I would say that in this type of societies the standard of efficiency or success depends on the total absence of lawsuits or arbitration references. If once you are compelled to resort to law for the realisation of dues in such a society, depend upon it you may conclude that there is something rotten somewhere and action must be taken by the Board of Management to set right matters forthwith. From my own experience, I can say that even among this class of society members much co-operative education is needed and I trust this association will surely give it.

General.—In fine, I have to point out that *in the case of all Societies*, Urban or Rural, there are some essential points to be borne in mind which alone tend to secure success in a co-operative movement and they may be enumerated as follows :—

(1) Personal knowledge, as far as possible by the Secretary, of all members of a society.

(2) Thorough mastery of the bye-laws of the Society by each member of the Board of Management.

(3) Good management by selfless workers who would be *men of undoubted probity*, (4) careful admission of members, (6) careful issue of loans and (6) punctual collection of dues and *maintenance of good accounts*.

When I say good management, I recognise only such of the panchayatdars or board members who by nature, are averse to keep heavy cash balances on hand and who invariably make it a point to remit the rupees, annas, pies, even in excess of actual requirements for disbursement of loans or to meet sundry expenditure, into the Central Bank or any other recognised place of investment as best fitted for good management. If really this thing is kept in view, I dare say that co-operation even in urban areas where mutual knowledge and close proximity are a bit wanting as opposed to a rural tract will certainly be a success to be really proud of.

GOVERNMENT ORDER.

III

G. O. No. 561, Development, dated 12th April 1927.

Co-operative Societies—Building Societies—Loans—Rules—Amendment.

The Government agree with the Registrar of Co-operative Societies and direct that rule 8 of the rules for the grant of State Loans to Co-operative Building Societies be amended as shown below :—

"8. A society which has taken a loan from Government shall repay the amount together with the interest due thereon *either* by equated annual instalments *or* at its option in annual instalments together with interest due on the amount outstanding from time to time. After exercising its option, a society shall not ordinarily be allowed to change its method of repayment. Nothing shall prevent or debar a society from repaying at any time a larger sum than the annual instalment or from discharging the whole loan in a single payment.

"In cases where a society has elected to repay its loans by means of annual equated payments, repayments other than the payment made on the due date of the prescribed annual instalment may be classed as follows :—

(i) *Payment on the due date of a sum in excess of the equated payment.*—Such excess payment should at once be credited in reduction of principal, the amount of each future instalment being correspondingly reduced, but no postponement of such instalments will be allowed nor the number of subsequent instalments reduced.

(ii) *Payment before the due date of the equated payment.*—Such payment should be treated as having been made on the due date.

"In cases where a society has elected to repay the loan in annual instalments, together with interest due on the amount outstanding from time to time, any sum paid before the due date shall first be credited towards the interest which has accrued up to date of payment and the balance, if any, shall be credited towards principal, the society being required to pay on the due date the balance of interest due for the year and also the balance of principal, if any, due for the year.

"When a society is in default either in respect of an instalment of principal or in respect of interest, any sum paid shall be appropriated in the following order :—

(1) Penalty levied under rule 4 of the rules.

(2) Interest.

(3) Principal."

THE MADRAS PROVINCIAL CO-OPERATIVE UNION.

General Body Meeting, 9th and 10th July 1927.

PRESENT :—THE HON'BLE MR. V. RAMADAS *(In the Chair.)*

First Day (9th July 1927.)

Revision of the Constitution of the P.C.U.

This special meeting of the General Body was convened to revise the Constitution of the P.C.U. in accordance with the resolution passed in that behalf by the General Body at its session held on 18th April last, at Madura. The President in a brief speech explained the object of the meeting and invited discussion on the main principles on which revision is desired.

A lengthy discussion then took place among the members as to whether membership in the P.C.U. should be restricted to District Federations only or whether it should be open to District Federations as well as several other types of institutions which are now eligible to join it. The latter alternative was accepted by an overwhelming majority.

Second Day (10th July 1927.)

The President explained that the draft of the proposed bye-laws distributed to the members was based on the recommendations of the Governing Body which met on the 8th and the previous day's vote of the General Body that membership should be open to all types of societies as at present, and proposed that those draft bye-laws be taken into consideration one by one. Objections were taken by some members that the draft circulated was not a proper basis for discussion as it embodied certain new proposals and omitted certain amendments of which notice had been given. The President explained that all amendments of which notice had been received were taken into consideration in framing the revised draft and added that the latter incorporated only such proposals and amendments as were useful in the opinion of the Governing Body and were consistent with the decision of the General Meeting in regard to the membership in the P.C.U. He further stated that it was not intended to shut out any amendment though previous notice thereof might not have been given and that when bye-laws were taken into consideration one by one, it would be open to any member to propose amendments. All amendments which were consistent with the previous day's decision as to membership were duly considered and the bye-laws were discussed one by one in the order in which they appeared in the draft and were finally passed. They have to be sent up to the Registrar for approval and they would be published in the Bulletin in due course.

The Hon'ble the Minister for Development, Mr. Hood, the Registrar, and Rao Sahib K. Devasikhamani Mudaliar, the Joint Registrar, attended the meeting

ELECTIONS.

The following office-bearers were elected by the General Body:—

1. The Hon'ble Mr. V. Ramadas—President.
2. Mr. P. Ramanathan Vice-President.
3. ,, G. Sriram Babu Naidu Secretary.
4. ,, V. Venkatasubbayya ,,
5. ,, N. Satyanarayana ,,
6. Rao Sahib T. Srinivasa Rao ,,

The following were elected to the Advisory Body:—

(a) By representatives of Central Banks:—Messrs. T. Adinarayana Chettiar, Rao Bahadur V. Murugesa Mudaliar, E. V. Gopalaswamy Iyer, V. Poornachandra Rao, and Mr. A. Rajabadar Mudaliar.

(b) By representatives of Urban Banks:—Messrs. S. Nagaswamy Iyer and M. K. Pattabhiram.

(c) By representatives of Supervision Unions, Trading Unions and Stores, and Dt. Federations:—Messrs. P. V. Subba Rao, L. Gangadhara Sastri, T. V. S S. Prakasa Rao, A. Natesa Mudaliar, H. Sankara Rao, G. Venkatarangachariar, V. Krishna Menon, T. Srinivasa Mudaliar, E. S. Sunda, K. M. Singaravelu Mudaliar, K. Sundararaja Iyengar, nnd V. Chinnakrishna Naidu.

Of these, the following were elected to the Governing Body:—

Messrs. E S. Sunda, S. Nagaswamy Iyer, K. M. Singaravelu Mudaliar, and L. Gangadhara Sastriar, in addition to the President, the Vice-President, and the Secretaries already elected by the General Body.

The meeting then terminated with a vote of thanks to the Chair.

Governing Body Meeting.

11th July.

Present:—The President, the Vice-President, the Secretaries and all the members of the Governing Body. The Hon'ble Mr. V. Ramadas, the President, presided.

RESOLUTIONS:

1. Resolved that the following committees be formed, with Conveners as noted against each and with power to co-opt:—

Editorial Committee:—Messrs. S. K. Yegnanarayana Iyer (Editor, English Bulletin, and Convener), Rao Sahib M. S. Seshachala Iyer (Editor, Tamil Bulletin), the President, the Vice-President, G. Sriram Babu Naidu, Rao Sahib T. Srinivasa Rao, Rao Bahadur A. Vedachala Iyer, K. M. Singaravelu Mudaliar, and E. S. Sunda.

Education Committee:—Dewan Bahadur R. Ramachandra Rao, V. Venkatasubbayya (Convener), Rao Bahadur A. Vedachala Iyer, Rao Sahib T. K. Hanumantha Rao, L. Gangadhara Sastriar, N. Satyanarayana, K, M, Singaravelu Mudaliar, G. Srinivasaraghavachariar, the President and the Registrar of C.S,

Non-credit Committee:—Messrs. Rao Sahib T. K. Hanumantha Rao, K. L. Narasimha Rao, (Convener), A. Sivarama Menon, G. Sriram Babu, and S. Nagaswami Iyer.

Rural Reconstruction Committee:—Dewan Bahadur R. Ramachandra Rao, Mr. V. Venkatasubbayya (Convener), the President, Rao Bahadur A. Vedachala Iyer, K. G, Sivaswamy Iyer, N. Satyanarayana, E. S. Sunda, and K. M. Singaravelu Mudaliar.

2. Resolved that the several gentlemen mentioned above (other than those in the Governing Body) be requested to kindly agree to serve on the respective committees.

3. **Appointment of Librarian**:—Resolved that Rao Sahib T. K. Hanumantha Rao and Mr. S. K. Yegnanarayana Iyer be requested to be joint Librarians of the P.C.U.

THE MADRAS CENTRAL URBAN BANK Ltd.

Proceedings of the meeting of the Board of Management held on Saturday, the 30th July '27.

25 members were present.

The Hon'ble Mr. V. Ramadas, the President, drew the attention of the members to the fact that items 1, 2, 3 and 4 in the agenda relate to the reduction in the rate of interest on loans to the Central Banks by the Madras Central Urban Bank and items 6, 7 and 8 relate to the payment of bonus or rebate. He called upon the members to concentrate their discussion on either of the groups so that the issues may be clarified.

Reduction in the Rate of Interest to Central Banks.

2. Rao Bahadur M. K. Venkatachariar proposed that the rate of interest on loans to Central Banks be reduced to 6 per cent per annum as and from 1st September 1927.

In commending this proposition, he said that the reduction in the rate of interest was far more preferable to either the grant of a rebate or bonus; he drew the attention of the members to definite portions of his note on the subject (previously circulated) and exhorted them to vote solidly for his proposition.

Dr. B. Pattabhi Sitaramayya seconded the proposition.

Dewan Bahadur R. Ramachandra Rao drew the attention of the members to the fact that the proposed reduction would reduce the gross revenues of the Bank by 1/7th and as such will militate against the best interests of the Madras Central Urban Bank. He opined that the reduction proposed may not leave sufficient money for the usual allocation to the various heads under the bye-laws and called upon the members to carefully consider the position before voting for the proposition.

Rao Saheb T. Srinivasa Rao drew the attention of the members to the fact that the Central Banks have approved of the scheme of expansion and consolidation proposed by Dewan Bahadur R. Ramachandra Rao and that the higher staff needed for the work has got to be given an intensive training for doing the work; that the reduction proposed in the lending rate will not leave sufficient surplus to the bank to be spent on an institution for training the higher staff. Hence he requested the members to consider this aspect though he was sure that the majority of the members will vote for the reduction.

Rao Saheb V. Krishna Menon and Mr. N. Satyanarayana spoke in favour of the reduction.

Messrs. T. Adinarayana Chettiar, K. V. Raghavachariar, D. Vishnu Rao and G. Srinivasaraghavachariar spoke against the reduction.

The President summed up the debate and expressed himself in favour of the reduction.

The proposition in the following form was put to the meeting and carried by a majority:

Resolved that the lending rate of interest to Central Banks be reduced from 7 per cent to 6 per cent per annum subject to the following conditions with effect from 1-9-27:

(a) The reduction is only a tentative measure;

(b) Loans at 6 per cent. will be granted only to such Central Banks whose maximum rate on Fixed Deposits is 5½ per cent per annum and 4 per cent per annum in the case of Local Board Deposits excluding Deposits of Provident Funds and Security Deposits;

(c) No Central Bank which avails itself of the reduction in the lending rate of interest shall be at liberty to convert a loan borrowed at 7 per cent into a loan at 6 per cent and the provision be not also availed of for borrowing fresh loans for the purpose of repaying loans outstanding on 31st August 1927;

(d) The Executive Committee is empowered to lay down such other conditions as may be necessary in order to secure the benefit of the reduction to the Central Banks to improve their administrative and supervision work in consultation with the Central Banks applying for loans.

Other Resolutions.

3. Resolved that, in the matter of loans and overdrafts on the security of Fixed Deposits, the rate of interest to be charged shall be 2 per cent over that carried by such Deposits.

4. Items 6, 7 and 8 regarding rebate and bonus were dropped in view of the reduction of the lending rate of interest to Central Banks to 6 per cent.

5. Resolved that from the 1st July 1927 the interest allowed on the Reserve Fund Deposits of Central Banks be reduced to 5½ per cent per annum.

6. Resolved that an additional sum of Rs. 3,500 be sanctioned for putting up rooms upstairs.

7. Resolved that the proposition of Dewan Bahadur R. Ramachandra Rao regarding the sanctioning of a grant of Rs. 25,000 to the Madras Provincial

Co-operative Union be referred to the Union for a detailed report and that the same be placed before the next General Body for consideration.

8. (1) The proposal of Dewan Bahadur R. Ramachandra Rao for the sanction of Rs. 20,000 to be utilised for the appointment of officers by the Apex Bank for preparing schemes of rectification and continuous supervision of the movement in the districts, was declared lost.

(2) Resolved that the payment of travelling and other allowances to Directors who may be deputed for consolidation and rectification work be continued on the same lines as are now followed.

9. Resolved that the proposition of Rao Saheb T. Srinivasa Rao regarding the appointment of a Committee to unify the Provincial Co-operative Finance be referred to the Working Committee of the Bankers' Conference for report to the next meeting of the Board of Management.

10. The request of the Aska Central Bank that the Madras Central Urban Bank do bear the cost of a Supervisor to be employed by the Bank for continuous supervision of the Societies was not complied with.

11. The request of the President of the South Arcot District Bank that the Bank may be permitted to offer 4½ per cent per annum on the deposits of Local Boards was not sanctioned.

12. Mr G. Srinivasaraghavachariar withdrew his motion to fix the rate of interest on Deposits of Local Bodies in view of Resolution No. 2 above.

13. Rao Bahadur M.K Venkatachariar moved his resolution regarding the raising, by the Madras Central Urban Bank, of Debentures. The President further explained the scope of the Resolution. The Board accepted the following principles and authorised the Executive Committee to raise the debentures and do everything needful in the matter.

(1) The Madras Central Urban Bank Ltd., do take immediate steps to secure long term money for the movement by the issue of debentures;

(2) Such debentures for the present may be uncovered, secured on the general assets of the Bank;

(3) The first set which may be issued immediately may be for 5 lakhs at a rate of interest not exceeding 6 per cent per annum and redeemable within a period not exceeding 20 years.

RECENT NEWS.

Milk Supply in Poona:—Strenuous efforts are being made by the Bombay Agricultural Department to solve the problem of milk supply in Poona. A Co-operative Dairy is to be started shortly with a capital of Rs. 20,000 and it is estimated that it could provide 140 seers of milk to at least 70 families at 2 seers per family. The members will get milk cheaper than at the bazaar. While wishing this co-operative venture every success, we appeal to the Co-operators of this Presidency to take early steps to start dairy societies in this Province also in compliance with the resolution of the last Provincial Co-operative Conference at Madura.

* * * *

The E B Railway Demonstration Train :—A very novel method has recently been adopted in Bengal for effective propaganda amongst the masses. On the invitation of the E. B. Railway Company, the Public Health, Agriculture, Industries, Co-operative, Veterinary, and Education Departments of the Bengal Government and also the Indian Tea Cess Committee and a few Commercial Firms joined in arranging a train fitted up as a moving exhibition. Each Department had a bogie carriage which it fitted up at its own expense. The running expenses were shared equally between the Railway and the several Departments.

The Train made a month's tour and visited 29 stations. The halt at every station was for a day. Lectures were delivered at open meetings with Cinema shows by competent lecturers and demonstrators who manned the train. Huge crowds attended the lectures. Even ladies are reported to have joined in large numbers at almost every station with great enthusiasm.

The Co-operative Section of the Train was very well planned and impressive, with a series of 12 models in it showing how families on the very verge of ruin could be saved and how Co-operation could ensure plenty and prosperity to the cultivator, a number of photographs showing the work of various kinds of Co-operatives, a display of the products of various Industrial Co-operatives etc.

It is estimated that more than 1,50,000 people took advantage of it. The cost of each department is reported to have been about Rs. 650 so that for every rupee spent, more than 230 people were benefited.

* * * *

We understand that the Governor of Ceylon has formulated a scheme for establishing a class of peasant proprietors in the wet zone by handing over an area of about 200 square miles of fertile land to a Board of 3 members consisting of 2 officials and 1 non-official with a sum of 5 lakhs of Rupees. It is proposed to settle small holders on the land who will ultimately become landowners, each holding consisting of 5 acres provided with adequate transport and irrigation facilities. Cheap loans are also to be granted for the provision of seeds and implements. A trained staff will be appointed to undertake supervision.

* * * *

The Chinsura Agricultural School (Bengal) authorities have established a small settlement with seven old students of the school, their main object being to see the young men develop into independent farmers. The latter are to be supplied with capital for which a certain amount of interest will be taken. Their boarding expenses will be borne by the school authorities themselves which will be returned to them along with other expenses after the marketing of the first year's crop.

NOTES AND NEWS.

The Changed Outlook.

The address delivered to the members of the United Theological College at Bangalore by Mr. Chandy, Member of Council of Mysore, which was published in the papers is full of interest as indicating the changed viewpoint of our Christian brethren. One point in the address is of particular importance to us, co-operators. Mr. Chandy urged upon the audience to look upon the rural service or service to ignorant masses in our villages with a view to enable them to improve their conditions as the best form of Christian activity, in no way inferior to the preaching of the Gospel. If this sound advice be taken up by the Missionaries all over the country and everyone of them will make himself responsible for some bit of actual work in rural reconstruction, we have a glorious future before us; because, of the methods adopted by the enthusiasts of rural reconstruction co-operation would take easily the foremost place. That means if this sound advice of Mr. Chandy be accepted, we would have quite an army of disinterested workers in the field of co-operation who would bring to bear upon the task unbounded enthusiasm not of a calculating or of worldly wise nature but really altruistic, and with such a band of workers the future of co-operation is assured.

* * *

Sir T. Desikachariar as the President of the recent Tanjore District Conference, has made some very useful suggestions to which we shall refer in the next number on receipt of a full copy of his address.

* * *

A New Venture not too soon.

The issue of 5 per cent debenture bonds for 5 lakhs of rupees by the Madras Central Urban Bank is a forward step in the right direction. It is a well-known fact that the co-operative banking is defective in this respect that the greater part of our financial resources consist of deposits mostly for short periods and with such deposits we have to lend money to indebted peasants through agricultural societies for as long a term as possible. A great financial authority once described this form of banking as " almost a financial speculation carrying with it all the risks of speculation." Land Mortgage Banks are felt to be a necessity and are being started in various centres with a view to enable the co-operative institutions to give long term credit to the peasant. That unfortunate individual pressed by his necessities enters into any sort of agreement, promises to pay any instalments provided he is able to tide over the immediate difficulty. Very often, the annual instalments of principal he has to repay over and above the interest on the borrowed money is far in excess of the narrow margin of profit he derives from his agricultural operations and this is one of the many causes of excessive overdues.

It is therefore the duty of all interested in the healthy development of co-operation to secure as much long term deposit as possible, and the floating by the Provincial Bank of debentures repayable in 20 years is therefore a forward step in the right direction. We hope this is only an experimental measure, and if this succeeds, they would float more debentures and make more money available to the indebted peasant lend to him on such conditions as he would be able to fulfil without much difficulty.

* * *

Reduction of Interest by the Provincial Bank.

Another momentous step taken by the Provincial Bank is the reduction of lending rate of interest to the District Banks from 7 per cent to 6 per cent. It is subject to the following conditions :—

"(*a*) The reduction is only a tentative measure.

(*b*) That loans at 6 per cent will only be granted to such Central Banks whose maximum rate on Fixed Deposits is $5\frac{1}{2}$ per cent per annum and 4 per cent per annum in the case of Local Board Deposits excluding Deposits of Provident Funds and Security Deposits.

(*c*) No Central Bank which avails itself of the reduction in the lending rate of interest shall be at liberty to convert a loan borrowed at 7 per cent into a loan at 6 per cent and the provision be not also availed of for borrowing fresh loans for the purpose of repaying loans outstanding on 31st August 1927.

(*d*) The Executive Committee is empowered to lay down such other conditions as may be necessary in order to secure the benefit of the reduction to the Central Banks to improve their administrative and supervision work in consultation with the Central Banks applying for loans."

The last condition is specially noteworthy. Therein the Executive Committee has kept to itself certain powers in order that the borrowing banks may derive the maximum benefit in the matter of improving their administration and supervision work.

The old cry that financing and supervision should be kept definitely apart is being slowly given up and financing banks are now coming to be looked upon as being ultimately responsible for the proper supervision of primary societies that borrow from them.

The apex bank is now taking a long step forward to liberate a considerable amount of money which would be available for the central banks to strengthen their supervising section. We hope that the money thus rendered available will be considerably augmented by the financing banks themselves setting apart an equal amount. It would then be possible for them to appoint duly qualified persons to run the bank, and Inspectors to the task of consolidation and rectification which cannot afford to wait. The work has to be taken up and successfully carried out by the Central Banks themselves.

In this connection, it may not be out of place if we throw out a suggestion that Central Banks will do well to resolve by a special resolution of the General Body that their dividends shall not exceed $7\frac{1}{2}$ per cent. We make the suggestion because rich men investing their money in co-operative societies do so partly for dividend but mostly for helping the movement. The slight reduction in the dividend will not be resented by them because it may be ear-marked and utilised for the purpose of consolidation and rectification which is absolutely necessary in their own interests. The state of affairs revealed by the official reports is sufficiently appalling. When co-operators meet and exchange notes in private, one hears certain details which one dares not publish, all going to show that a thorough overhauling is very urgently needed, and unless the matter be looked into by competent hands and set right as early as possible, the movement as a whole will receive a setback which would redound to the credit of neither the Government nor the non-official leaders.

* * *

Committee of Enquiry.

Ever since co-operation was made a transferred subject, the members of our Legislative Council have been urging the formation of a committee to enquire into the condition of the movement at present and to suggest the lines along which the existing Act may be modified if necessary. There has been no enquiry since the days of the Maclagan Committee and much water has flown under the bridge since then and many changes have come about. The movement which was then possibly simple containing only a few types of societies has become in the course of the past few years an extremely complicated one having many types of societies wherein the fundamental principle of co-operation is attempted to be applied to the various economic needs of man—

production, distribution and consumption. It is high time therefore that in our province also a committee of enquiry be appointed to go into the whole question and to make suggestions for improvement. Bombay has already amended the Act and in our Province necessary materials have been gathered for the amendment of the Act by the Special Officer who was appointed for the purpose. The passing of a new act need not be the only outcome of the deliberations of the Committee and we hope that if a representative committee consisting of men of experience be appointed especially at the present juncture when everybody wants something to be done, it would enable all co-operators, officials and non-officials alike, to see exactly where we are and what we should do in future if we are not again to drift into a similar condition.

In this connection, we would like to make one suggestion to the authorities, namely, that whosoever be appointed as members of the Committee, the Committee must have the right to co-opt one member from each district, when it tours in that district, to make a study of the movement there. This step, we recommend, will be in accordance with the precedent adopted by the Royal Commission on Agriculture wherein also two members were co-opted in each province when the Commission was functioning in any particular province.

* * *

Reserve Bank Bill.

One of the most important measures that will come up for discussion before the Imperial Legislature now in session would be the Reserve Bank Bill whose Select Committee Report has already been presented by the Finance Minister. We are extremely sorry to see that no arrangement has been made to make the illimitable resources of the Reserve Bank, when one is formed, available for the use of the most important industry of the State, namely, agriculture. We understand in other countries, especially in agricultural countries like New Zealand and Australia, the finances at the disposal of the Reserve Bank are rendered available to the industry of agriculture, and the prosperity of the average farmer in the countries mentioned above is partly due to the fact that if and when he requires financial assistance, it is easily available.

We are however told that a sort of promise has been held out by the authorities that this matter will be taken up if the Royal Commission on Agriculture makes any definite proposals upon it in their report.

* * *

Rural Reconstruction Centre at Ullagaram.

Readers of the Madras newspapers would be familiar with the fact that our popular Development Minister has started a trust for rural reconstruction and has set apart 1/5 of his monthly salary so long as he remains in office for financing the said trust. Two experienced workers in the field of rural service, Mr. K. T. Paul of the National Council of the Y. M. C. A. and Mr. Venkatasubbiah of the Servants of India Society, are members of this trust and that is a guarantee that work along the right lines would be done. We had the pleasure of accompanying Mr. Venkatasubbiah to the village of Ullagaram which has been chosen as one of the centres where the trust would start its work as an experimental measure. This village lies about a mile to the east of St. Thomas Mount railway station and the field of operation of this centre would be the villages of Ullagaram and Puzhuthivakam with Ullagaram as the centre. The trust has started its work in this place and has appointed a paid agent who has been commissioned to start work with making a detailed survey of the economic condition of every family in the villages belonging to the centre. Steps would be taken to get all the chief inhabitants of the village admitted as members of the co-operative society and financial help will be given to them for their agricultural operations in the coming season through the agency of the co-operative society. If there be delay in rendering them help through this agency, it is proposed to help the inhabitants direct also so that they may start the coming agricultural season ready to put into operation certain suggestions regarding improved methods of agriculture such as improved manuring, selection of seeds etc. They are further to have a village panchayat organised for them which, to start with, would run a school for the children of the village. The task ahead of us is so vast, workers so few, and therefore we are extremely grateful to Mr. A. Ranganatha Mudaliar for having started this trust and made it possible for some places at least to get the benefit of modern ideas of rural reconstruction.

* * *

Mortgages and attachments.

Elsewhere will be found published in this issue an article from the Secretary of the Kamalambika Urban Bank Ltd., Tiruvalur, on the subject of the facilities to be afforded to co-operative societies in the matter of ascertaining whether any attachments made by Civil Courts in execution of decrees or by the Revenue Departments for recovery of arrears of land revenue subsist in respect of immovable property offered as mortgage to Co-operative Societies. Remarks on the suggestions made in the article are invited.

Rural Societies and their Supervision.

Elsewhere will be found published in this number a contribution headed "Rural societies and their supervision" from the pen of a co-operator acquainted with the working of the movement in rural parts. The Co-operator chooses to be anonymous. The description given is pathetic on one side and painful reading on the other. It breathes simplicity and contains suggestions some of which may not be possible; but there is the outstanding fact that in the area of which the writer speaks the supervisors are absolutely under no manner of control. Not only that: there does not appear under existing conditions to be any chance of making the supervisors work unless the Bank intervenes. This contribution comes at a most opportune time now, when the situation as regards the indifferent working of rural societies and still more indifferent supervision by unions, as evidenced by the ever increasing overdues, is receiving the anxious attention of Central Banks.

* * *

Unions and Supervisors.

There is another version as regards the work of supervisors coming from a different quarter.* It is a plea on their behalf. The writer points out that, in view of their position as subordinates of the Union Directorate which is composed of society representatives, they are precluded, except at the risk of losing their appointment, to expose irregularities and even frauds such as misappropriations. 'The supervisor'; he says, 'is entangled between a well before and a pit behind' and calls upon co-operators to suggest measures for remedying the awkward position.

The remedy, it may at once be observed, lies in the appointment of a superior staff which will not be subjected to the above mentioned risk. Dewan Bahadur R. Ramachandra Rao has already observed † that the staff of union Supervisors cannot be expected, however paid or trained, to rise so high as to check the vagaries of the leaders in the Union or in rural panchayats. The entertainment of the superior staff cannot be further delayed and the Central Banks will do well to take up this question as soon as possible.

* Vide the letter from a co-operator of Alamuru in East Godavari District published on page 25 of the last number.

† Vide page 3 of the last number in the article headed 'The immediate task before us'

Need for a definite Programme of work.

We invite attention to extracts published elsewhere from the address of Rao Sahib V. Krishnaswami Rao, Chairman, Reception Committee of the Eighth Nellore District Co-operative Conference held at Kavali in June last. As observed by Mr. Krishnaswami Rao, "the field of co-operation is pre-eminently one in which less talk and more work, and that of an intensive character, are needed from day to day". As further observed by him—"What is required is a programme of work for each union area, a programme for the carrying out of which every director of the union should be held answerable." To attain this end, he suggests the holding of what he calls a purely Business Conference of Societies affiliated to each union. This, we need hardly add, is a necessity. And we fully concur in his following observations that "a minute scrutiny of the affairs of each society at the end of each year, the adoption of drastic (we would substitute 'suitable' for the word 'drastic') measures in respect of bad societies or unscrupulous individual members and a scheme of work for the year to come ought to be among the items of business for such a conference (i.e., the union business conference.)" We doubt, however, whether many unions are capable of undertaking this task. Wherever they are capable of undertaking it, the sooner they do so the better. Where they are not capable, the District Bank or the District Federation should go to their rescue. With the help of the superior staff which the Co-operators assembled at the last Provincial Conference have deemed necessary for maintaining the efficiency of supervision at a proper level, the District Bank or the District Federation should prepare a review of the existing situation at the end of each year and also a programme of action for the following year. And the subsequent carrying out of the programme should be insisted upon. It is the want of such regulated methods of business that account for the present unsatisfactory condition of primary societies. We wish Unions, District Banks, and Federations will do the needful in the matter.

APPEAL FOR GUJERAT CO-OPERATORS FLOOD RELIEF FUND.

FELLOW CO-OPERATORS,

During the last hundred years, there has not occurred in the Bombay Presidency a calamity so stupendous in magnitude as the recent floods that have devastated the fair Province of Gujerat. The extent of the loss caused by the floods, particularly in rural areas, staggers the imagination. Though in a detail here and there the earlier reports which appeared in the newspaper press may have been slightly coloured, as further investigations progress, especially in inland areas, it is found that the extent of the loss of human lives, of property; of crops and cattle, was in no sense exaggerated. In fact, in out of the way places, like the Bhal tract and parts of Kaira and Ahmedabad, the rural population have lost their all, and have to start life afresh on whatever the charitable instincts of the community or of the State provide for them. Government have already announced their policy of relief and reconstruction, and charitable funds are doing all that they can. But on occasions like this, it is felt that Co-operators who hold aloft as their motto, "Each for All and all for Each" should bestir themselves and organise some measures for the relief of the distressed members of Co-operative Societies in the affected areas. The area affected covers practically the whole of Gujerat north of the Nerbudda, and therefore with the exception of the Surat District, and two talukas each of the Broach and Panch Mahals districts, members of all societies in the Gujerat Co-operative Division stand in need of help. Almost all have had their valuable growing crops washed away, there has been wholesale destruction of houses, and cattle are reported to have been carried away in large numbers In addition, agriculturists have lost the few personal possessions they used to have in their homes, while to-day large numbers in the affected areas are destitute and homeless. The results of four months of precious labour have been wasted And though immediate resowing may bring in some return, the crops depend on the promptitude with which seed is given, cattle provided where necessary, and some arrangements devised to set up the agriculturist in his home. As observed above, some portion of this work is being carried on by charitable agency and by Government; but forming as they do members of one family, it is the duty of Co-operators in other parts of the Presidency to go to the help of brother co-operators in the affected areas The best form of help that individual Co-operators and Co-operative Institutions can render is to open their purse strings and to make handsome donations to the Gujerat Co-operators Flood Relief Fund started by the Provincial Co-operative Institute, Bombay Co-operators may not be wealthy individuals nor may Co-operative Institutions possess large resources, but all, each one of these, individuals as well as Co-operative Institutions should, we appeal, contribute to the best of their ability and thus testify in a pratical measure to their acceptance of the co-operative tie which links together Co-operators as members of one family.

The authorities of the Institute in consultation with the Registrar of Co-operative Societies, Bombay Presideny, Poona, and the Bombay Provincial Co-

operative Bank Ltd, propose to constitute a special committee to administer the funds, but in the meantime subscriptions may be sent by cheque or otherwise to the Manager, the Bombay Provincial Co-operative Bank Ltd, Apollo Street, Fort, Bombay, who will pass receipts for all payments received.

The purposes to which the funds so obtained are proposed to be put are as under :—

(1) Free supply of bamboos, matting and other materials for putting up temporary shelters

(2) Free supply of essential household requisites.

(3) Subsidies towards reduction of interest charges on previous borrowings.

(4) Advances for seed, free of interest under exceptional circumstances.

(5) Such specified purposes as are mentioned by the donors.

The authorities of the Institute will co-ordinate their efforts with those of charitable relief agencies as also of the Collectors of the various districts to prevent any overlapping of effort and before grants are given for the purposes mentioned above, necessary inquiries will be made through the local officers of the Co-operative Department and the staff of the Central Banks in the area. These officers are already on the spot making inquiries and we have every reason to hope that the administration of the funds collected in response to this appeal will be both speedy and careful.

We address this appeal specially to Co-operators in this Presidency whose welfare is so closely interlinked with that of their distressed brethren in North Gujerat. But we hope that Co-operators in other Provinces of India and even Co-operators and Co-operative Institutions abroad, in view of the national and international links gradually established by Co-operative Organisations all over the world, will also respond generously to this appeal of ours and forward contributions as an expression of their sympathy with fellow co-operators in Gujerat.

Yours in Co-operation,

G. K. DEVADHAR,
President, Provincial Co-operative Institute, Bombay.

LALUBHAI SAMALDAS,
Director, Bombay Provincial Co-operative Bank, Ltd.

The above appeal speaks for itself. We should like to make a special appeal to our Co-operative Brethren in our Province to contribute their mite towards relief of the terrible distress which is being experienced by the unfortunate people of the flood areas. Contributions may be sent to the P. C. U. and they would be duly handed over to the proper authorities and also acknowledged in the pages of the Bulletin—(***Editor***).

PAMPHLETS FOR SALE.

1. *Loss Societies.—A Study:* a contribution by Rao Sahib T. Srinivasa Rau on the margin of profits in rural societies—deals with the calculation of profits. *16 pages. Single copy As. 2. Per dozen Re. 1 inclusive of postage.*

2 *Co-operation—A Drive from the Centre or Growth from within:* by Rao Bahadur N. Gopalaswami Iyengar, Registrar-General of Panchayats, Madras. *23 pages. Single copy As. 2. Per dozen Re. 1.*

3. *Rural Training Classes—A draft syllabus*—interleaved to take down notes of lessons as suited to each area—gives also outlines of a few lessons. No. of lessons 20. Deals in the main with functions and management of a rural credit society—*24 pages. Single copy As. 4. Per dozen Rs. 2.*

4. *Land Mortgage Banks*—Rao Sahib K. Devasikhamani Mudaliar and Rao Bahadur A. Vedachala Iyer. The book includes a summary of the working of Land Mortgage Banks in India and the Continent. *No of pages 75. Single copy As. 8. Per dozen Rs. 4.*

5 *A Co operative Survey of economic conditions*—in some of the Union areas of Chingleput, Tanjore, Madura, Ramnad, North Arcot and Coimbatore Districts—Notes by office-bearers of Local Unions. *No. of pages 46. Single copy As. 5. Per dozen Rs. 3*

6. *The Royal Commission on Agriculture—Madras Evidence, Official and Non-official*—a useful compendium for understanding all problems relating to Agriculture, Co-operation, Industries, Sanitation, Medical Relief, Health and Hygiene, Education and Rural Panchayats. The Evidence includes that given by heads of several Departments and non-official leaders of public opinion. *Price per copy Rs. 2-8-0. Free for permanent subscribers to our pamphlets paying Rs 4 per annum. Rs. 2 per copy to our Bulletin Subscribers.*

7. *Land Mortgage Banks.*—A study of various types in various countries and a suggestion of the best type suited to rural economic conditions in India—by the Hon'ble Mr. V. Ramadas. *23 pages. Single copy As. 2. Per Dozen Re. 1.*

8. *Resolutions of the Madras Provincial Co-operative Conferences.*—A Collection of the resolutions of all the 14 Annual Provincial Co-operative Conferences arranged according to various subjects and institutions. *45 pages. Single copy As. 4. Per dozen Rs. 2.*

9. *Reduction of Agricultural Indebtedness*—debate on a resolution on the subject brought forward by the Hon'ble Mr. V. Ramadas Pantulu in the Council of State on 24th February 1927. *25 pages. Single copy As. 2. Per Dozen Re. 1.*

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