admit that one of the basic principle of co-operation is "Each for All and All for Each", that it is the duty of the strong to come to the rescue of the weak and lend it a portion of its strength. Unions consisting of all sorts of societies, strong and weak, can work successfully only if the strong co-operate and if by such co-operation Unions are working well, we do not see why they should be curtailed of their present privilege of recommending loans. The party to complain should be weak societies and not the strong ones, who far from being overwhelmed by others may have to avoid the danger of tyrannising over them.

The second point is that Central Banks should build godowns in Taluk centres at which societies can keep their produce, raise loans upon them and hold on the sale till the marketing conditions become favourable. If central banks launch such a scheme of financing agricultural marketing, they could not only gather larger quantities of an article at particular places and thus get for them more favourable prices; but also help the raiyat by retailing to him through societies improved seeds and implements, manure etc. which the raiyat needs. Thus, banks would be able to help their ultimate support, the borrowing individual, in two ways, by helping him to increase his producing capacity and by getting him more for his produce, *i.e.*, better farming and better business; and if these two are secured, the third item of the trio, better living, will come as a matter of course.

The Yuvarajah of Mysore emphasised upon the same in his speech and here are the peasants of Madura clamouring for it. Here is a call from the Prince and the Peasant to Central Banks to have vision, to enlarge their scope and 'to become not merely an enlightend sowcar, but really the friend, philosopher and guide of the raiyat.

We know that in Bombay some advance along this line has been achieved and the branches of the Provincial Bank help the primaries in supplying the needs of the raiyat. Such a procedure is appealing to reason and is approved by practice elsewhere. We have therefore *Yukti* and *Anubhava* (that is, Reason and Experience) in its favour. Will the central banks in our province listen to the call, grasp the opportunity offered and rise equal to the occasion? Let us hope they will.

Two Weighty Utterances.

It is not often that one comes across two weighty pronouncements upon the co-operative movement as a whole delivered within a week of each other by the President and Vice-President of the Provincial Co-operative Union.* These leading co-operators however, spoke in their individual capacity and were not expounding the official attitude of the Union and hence we are not very much worried about the small differences of views revealed by the speeches. We are struck more by the many points of agreement.

Mr. Ranganatha Mudaliar, with his vast administrative experience, framed a charge sheet as it were against the Government. He told them in good plain language that they do not seem to know their own mind in the matter, that they have been leaving things too much in the hands of the Registrar and hence departmental policies changed with personnel of that office, that there was too frequent a change of Registrars and that the Department did not discharge its duties properly in the matter of audit and supervision. Mr. Mudaliar did not stop with the comparatively easy task of fault-finding. He went on to give constructive proposals which have been summarised elsewhere.†

Mr. Ramadas discussed the future of Unions, spoke of the new Audit scheme under non-official auspices which is being adumberated, put in an eloquent plea in defence of the new financial policy of the Apex Bank, assured the public that in all these matters there was agreement between the Department and the Provincial Bank, and advocated a policy of expansion though on cautious lines.

"It is never too late to mend" and one of the first steps towards improvement is realising our defects. If co-operators would make out a list of mistakes committed in the past, keep it as a sign of warning, mend their ways and learn by past experience, there is nothing to get panicky about. "Find Raiffeisen" said Sir Frederick Nicholson. Did we find him or at least try to find him? If there had been a Raiffeisen in every one of the 15,000 societies or some tolerable substitute at least for one, things would not have come to this pass. The fundamental principles needed for the successful

* See page 568 of this number for extracts from Mr. A. Rangatha Mudaliar's speech and page 556 for Mr. V. Ramadas' speech.

† See page 571 of this Journal.

working of a society are so simple that the wonder is why they have been neglected. "There are indeed no new principles to be observed in the process" said Mr. Ramadas, "all that is demanded of us now being a genuine observance of the well understood rules about the scrutiny of the purpose of the loan and the repaying capacity of the borrower. Our troubles to-day are mainly due to the fact that these rules were in the past more honoured in the breach than the observance."

If these simple things were not insisted upon by the Panchayatdars, what about the department (to start with) and later on the Union that recommended such applications? What about the financing banks that lent money? The tragedy of it is that this neglect spread right up to the top not excluding the Apex Bank and it is only now that they realise that the ultimate test of soundness of the movement is the individual borrower. The attitude of suspicion against central banks sedulously fostered by some theorists who had false notions of autonomy and independence, forgetting the basic principle of "Each for All and All for Each", went not a little towards making the confusion worse confounded. It required a severe crisis and the refusal of the Imperial Bank to attach importance to agricultural paper to wake us up.

Our task is simple enough, though difficult to be accomplished. It can be divided into two, the task towards the existing societies and that towards those yet to come. Both the eminent persons unanimously recommended a policy of cautious expansion. Let us not altogether stop starting societies, but start them finding Raiffeisen or as good an approximation to that ideal as we can find. Let us enlist as members thrifty and honest men with repaying capacity. Let us frankly tell them their rights and duties implied in unlimited liability. Let us also make them realise limitations of the movement in its capacity to help them and make them expect at best short and intermediate loans only from village societies and help them whenever possible with Land Mortgage Banks for long term credit. Let us try to get an efficient Panchayat consisting not merely of men of wealth, position and influence, but as Mr. Mudaliar rightly points out, men of character actuated by a spirit of service. Let us watch the growth of these new societies with greater care and hold them up as examples for the bad and the indifferent to come up to. So far, as new societies are concerned. About bad ones, we should have no compuncti of conscience to disregister them, if, after giving them a ch

The benefits of Life Assurance are numerous. Family provision is made possible in the case of the early death of a family head. Saving is encouraged. Habit of thrift is cultivated. Provision for old age is ensured. For serving as basis of credit, an Insurance policy is unrivalled. It may be asked how an Insurance company can dispense these various benefits to individuals. The answer is, that it is not the Insurance company that bestows these benefits, but it is the individuals themselves that do so by mutual co-operation; and the Insurance company is only a medium through which such co-operation is made possible. The object of an Insurance company is to bring together various individuals into a corporate body of policy-holders, who, by making contributions in the shape of premia to a common life fund, benefit themselves and their families. A definition of Insurance will not be out of place here. "Insurance is a social device whereby the uncertain risks of individuals are transferred to a group and thus made certain. In its legal aspect it is an agreement, the insurer agreeing to indemnify the insured for loss and the insured agreeing to pay consideration namely premium." The confidence which a "*life office*" possesses viz., that human life, so uncertain in the case of an individual, becomes strikingly measurable in the mass, is based upon the results of repeated investigations of past experience regarding human mortality. With the help and guidance of experts called Actuaries who have made a special study of the rate of human mortality and its repercussions on an insurance contract, the Life Assurance Company starts on the task of dispensing the benefits of Insurance to humanity.

The fundamental idea of Insurance is to guard against the unforeseen effects of a contingency namely death. To a man of limited means a life assurance policy is the only solace. It is the duty of every individual who has dependants under him to see that they are adequately provided for, and are not exposed to the pangs of poverty in case he is suddenly cut away from them by premature death. When a person is unable to provide his family with some property or a decent bank balance, an insurance policy is the only other alternative. Even the rich who think that they have plenty of wealth as provision for their families and that only people who have no other means of income than their monthly salary of a hundred or two should entertain the idea of insurance, forget the social aspect of it, that is, by effecting insurance, they can benefit the community, though not their own families. They can endow the

proceeds of their policies to some charitable institution, and thus turn their existence and wealth into blessings to their fellow citizens Even for a rich man it may not be possible to endow a considerable amount all at once; in such a case an insurance policy is really a benefit to the endowed and a convenient mode of finding a fund to the person who endows.

The argument that insurance is not beneficial as an investment and that a person pays more to the Insurance Company than what he actually receives back from it, is not quite correct. In the first instance, an Insurance campany may be called upon to pay some thousands of rupees in the case of the early death of the assured notwithstanding the fact that he might have paid to the company only a few hundreds or tens perhaps. And again the return on fixed interest bearing securities will purchase less at the time of rise in prices. There is also the possibility of heavy depreciation in the capital value of the securities themselves, and investments in securities of a more fluctuating nature sometimes prove to be disastrous. An Insurance company by investing its funds at the highest rate possible tries to secure larger bonuses to its policy holders. Leaving aside the possibility of earning more interest by investing in *other* modes than in an insurance policy, and also leaving aside the contingency of the early death of the investor, let one examine as to how many possess sufficient will power to save methodically and continuously without break or withdrawal. In 99 out of a 100 cases it is not possible. Generally a man of limited means would try to borrow without being able to adjust his expenditure within his limited means and without caring to reflect on his repaying capacity. Though one cannot easily cultivate the saving habit, one readily imbibes the borrowing habit. Regular saving will be out of question, unless some external pressure is brought to bear which compells one to save and invest at stated intervals a certain amount. Mere compulsion to save will not do; it is also necessary to guard against the easy withdrawal of such savings, or borrowing on their security, a sum which will reduce the savings to a zero, in case the borrower is unable to repay the loan. These two evils cannot be avoided in any other mode of investment than in an insurance policy. At short notice even from a savings bank, one can withdraw the entire amount invested. And again one can easily borrow on one's fixed deposit or other recognised securities from his bankers, to the extent of 90 per cent or even more of the value of his investments and that too at a higher rate of interest than that at which his savings are invested. In case he is unable to repay the loan his investments come to the aid of his banker. But in an Insurance company withdrawal is not made possible within three complete years of the commencement of a policy. Even after that time withdrawal from an insurance company is not at all beneficial to the policyholder since he receives considerably less than what he has actually paid to it, which usually acts as a check on such withdrawals. Even the loans which an Insurance company grants on the security of a policy, are considerably smaller in value than the premium received through those policies. Though the loan is deducted from the policy money when "maturity" or a "claim" occurs before the repayment of the loan, the return which a policyholder or his family gets after the wiping away of the loan is considerably greater than what remains by adjustments in other modes where usually the loan value is practically equal to that of the investment. Then, is one wrong in saying that Insurance makes saving possible and guards such savings effectively from withdrawals and loans? Further in the case of Life Assurance there are certain inducements to save. Once when Insurance is effected the insured is made to pay the premium regularly to avoid the lapse of the policy and the consequent loss of the premium amounts he has already paid. The premium reminders which are sent by a 'life office' make it impossible to forget the payment of premium. The insured is compelled to make a provision in his family budget for the item of Insurance premium. Thus a person forms the habit of putting away a small sum at regular and stated intervals, an element which has always been insisted upon as essential to the development of thrift. This encouragement of saving undoubtedly results in many persons accumulating sums which they otherwise would never have; and money, which otherwise would have been wasted, is utilised for these regular payments.

Though the fundamental idea of Insurance is to guard against the effects of death of the earning member on one's family, it does not necessarily mean that the assured never enjoys the fruits of his policy himself. Under the Endowment Scheme the sum assured is paid to the assured after the termination of the chosen period if he happens to live so long, which stands in good stead as provision for old age. He can utilise the amount when his earning capacity ceases, without encroaching on what little capital he has, and that untouched capital will serve as his family provision.

Another important aspect of Insurance is its service as a basis of credit. The task of lending and borrowing will become easier, if surety loans and house building loans are covered by Insurance policies, at least to the value of the loan. If the repayment of such loans is stipulated to be by instalments, the burden of continuing the unpaid instalments which falls on one's family in the case of the early death of the borrower, will be removed by the Insurance policy.

If one correctly understands the significance of Insurance and the benefits obtained through it and voluntarily insures without being worried to do so by others, the complaint that sometimes what is received from the Insurance company is much lower than what one has actually paid to it will cease to exist. In fact he will receive more under the Insurance scheme than through other investments. The reason is not very difficult to find. If procuration cost is cheap, the savings effected by the Insurance company, under the head of agency commission, will go to increase the bonus that is distributed among the policyholders. If one is willing to insure when approached by the representative of a life office at the first instance, the task of procuring business becomes easy and the remuneration that is paid towards procuration of new business will not be so high as it is prevelant in many life offices today. Another factor which will ensure a larger bonus to the policyholder is the lower rate of mortality experienced by a life office. If the risk is widely distributed by insuring a large number of individuals the claims paid by an Insurance company will be comparatively few. The longer a policyholder's money remains in an Insurance company the greater is the bonus that is received. The fewer the number of claims that are paid during the course of the year, the greater will be the Life Assurance fund at the end of the year, and larger the interest yield. The consequent available divisible surplus towards bonus will be considerable. Thus it will be seen that it does not lie within the power of an Insurance company to declare large bonuses without the corresponding co-operation of the people, who should seek Insurance rather than being sought by it.

CO-OPERATIVE INSURANCE.

The object of every Co-operative Society is to secure the maximum amount of benefit to its constituents but at the minimum cost. By cutting down the overhead charges and other middlemen remuneration to the minimum, a co-operative society is able to produce satisfactory results and cater to the needs of its members in the most perfect and desirable manner possible. The aims and objects of a Co-operative Insurance Society are identically the same as those of other Co-operative Societies. In a Co-operative Insurance Society, policy holders' savings are not snatched away by enterprising capitalists or other heavily paid agents; they are conserved by the Insurance Society with utmost care and distributed to the persons to whom they legitimately belong.

With precisely these aims and objects **The South India Co-operative Insurance Society** has been recently started in response to incessant demands from the public for several long years for one of its kind. It now rests with the people of South India to avail themselves of the benefits promised by the **South India Co-operative Insurance Society.**

Co-operative Literature.

BY CO-OPERATOR.

The co-operative movement in India has come in for a good deal of scrutiny and examination within the last few years. Various Committees on Co-operation sat in the different Provinces and Indian States, the Royal Commission on Agriculture examined the working of the Movement as a potent instrument for the amelioration of the economic condition of the agriculturists who form the bulk of India's population, and the Banking Enquiry Committees, both Central and Provincial, analysed the working and possibilities of Co-operative Societies as instruments for giving banking facilities to the public and fostering the banking habit among the people of this country. Their reports form very valuable material for the student of and worker in the movement. All of them, however, emphasise, among other things, the need for the development and systematisation of co-operative education for those engaged in the working of the movement, whether as officials in the Co-operative Departments, as Managers of Co-operative Institutions or as Honorary workers in the course of co-operation. For this purpose, it is gratifying to note that in almost all Provinces and Indian States more or less satisfactory arrangements have been made, schools and training institutes have been started, and training classes are being organised.

The development of education proposes the existence of co-operative literature and for a long time, Indian co-operator had to be content with books on co-operation written by Europeans and Americans embodying their views and experiences of the movement in the West. Some of these books indeed related to co-operation in India, notably the several publications of the late Mr. Henry Wolff. In 1915, Mr. H. Calvert, Registrar of Co-operative Societies, Punjab, brought out his well-known book. " The Law and Principles of Co-operation ", which remains almost a standard book of reference even to-day. This was followed by very useful books by Mr. Strickland and by Mr. Darling, his successors, and by Mr. Otto Rothfield, the Bombay Registrar giving their observations during their European tours and discussing them in the light of their experiences in India. Other notable publications were the " Indian Co-operative Societies" by Mr. R. B. Ewbank, Registrar, Co-operative Societies, Bombay, which was a collection of scholarly monographs on Co-operative topics written by different persons in India and " Studies in Co-operative Finance" by Mr. V. L. Mehta, the Managing Director of the Bombay Provincial Co-operative Bank.

There has been a great fall since then and it is pleasing to note that since last year Indians have come forward to embody their experiences and views and to supply literature necessary for the development of co-operative education. Prof. H. L. Kaji, of the Sydenham College, who has been actively associated in co-operative work for very many years with the Provincial Co-operative Institute, Bombay, and with the All-India Co-operative Institutes' Association, brought out a very useful volume "Co-operation in Bombay", with a foreword by Mr. H. Wolff, being an authoritative exposition of the movement in this Presidency by himself and co-adjutors selected from amongst his fellow workers.

Rao Bahadur S. S. Talmaki, Honorary Secretary of the Provincial Institute, Bombay, followed this up with another useful volume, with a foreword by Sir Lallubhai Samaldas, the President of the All-India Association. That Association now announces the forthcoming publication of the first three volumes of their Indian Co-operative Series. The first volume is "Co-operation in India" by Professor Kaji, who with co-adjutors from the different parts of India has brought a record of facts relating to different types of co-operative effort well within the reach of the co-operative worker, including a Directory of Co-operative publications, journals, organisations and workers. The second volume is "The Law of Co-operative Societies in India and Burma", with a foreword by Sir Lallubhai Samaldas, by Rao Bahadur K. V. Brahma, the veteran Berar Co-operator, who annotates Co-operative Law from the lawyer's rather than from the administrative point of view. The third volume is being published by Messrs P. S. King & Son, London. It is "India's Co-operative Movement in relation to a sound National Economy", by Miss. E. M. Hough, with a foreword by Prof. H. L. Kaji and an Introductory Note by the well-known co-operator, Sir Horace Plunkett.

It is to be hoped the All-India Association will continue its activities in this direction and publish other volumes in the series, giving intensive provincial and regional surveys of particular co-operative problems, with statistical data as a result of special investigations. One pleasing feature of the movement in India consists in its attracting able honorary workers and with their help, much detailed investigation and research should be possible.

Timely caution to rural co-operators.

MR. R. KRISHNASAWMY AIYANGAR, ADVOCATE, CUDDALORE.

The Registrar of Co-operative Societies, in his report on the working of Co-operative Societies Act for 1930-31, says that as against 12 Unions that had kept down the arrears under principal and interest below 12 and 10 per cent the previous year, only three unions of this kind could be mentioned for the year under report. Probably this year's report will bring it to zero. This revelation is the result of expenditure of 7·72 lakhs and 607 Supervisors working, the total number of unions being 454 with 11,763 societies affiliated to them. Turning to the classification of societies, 5,306 societies out of 7,628 are placed under class C, i.e. next higher to class D relating to bad societies which will be cancelled should they fail to come under class C within two years. 427 out of 480 belong to C class in the South Arcot District. There were 25 unions in this district absorbing Rs. 29,290 maintaining 35 supervising staff. In 2,690 societies collections of principal to demand by members are below 40 per cent. 2,180 are dormant societies. The percentage of unsatisfactory societies is very large indeed.

It goes without saying that the proof of the pudding is in the eating and one cannot help exclaiming that there is something wrong somewhere. The root cause has to be found out and remedy applied to eradicate the evil. It is remarked that supervision to be effective should be in the hands of local men of influence and capacity. If it is not so now, what steps has the department taken to introduce the right element there? Does the society section present any insuperable obstacle to men of influence and capacity being chosen and if so how long is this ineffective supervision to continue?

The Registrar is convinced that there need be no separate bodies to attend to supervision and propaganda and if this is entrusted to Central Banks additional and unnecessary expenditure would be avoided and there would be no fear of undue stress being laid on the financial aspect as Directors are usually keen co-operators not likely to ignore the co-operative side of their work. At present, unions do not agree to centralised control of staff and finance and present strong opposition to distribution of supervision fund. These are very important and the unions on their notion of so-called independence are disinclined to surrender this. The desire for patronage underlying this attitude is a misfit in co-operative movement. "Union Directors were never intended to be merely controlling authorities over a paid staff". And one understands the extent of control now exercised in the light of statistics mentioned above. Personal work and influence ought to be exercised which are now conspicuous by their absence. One can infer from the result that Supervisors are given a free hand to act as they like. The Registrar of course expresses a hope "that we shall have less of this seeking after power in future and that Union Directors will recognise that centralisation of control and finance is essential and that they hold office not for the sake of the patronage and power it confers but for the opportunity it gives them of using their personal influence for the good of the movement." It remains to be seen what response there is going to be to this earnest appeal of the head of the department. If it falls on deaf ears, the question of rounding up the unions has to be seriously considered.

In this connection, I cannot refrain from referring to the remark of Mr. G. Srinivasa Raghavachariar, Retired Assistant Registrar of Co-operative Societies and now the Secretary of the Madura Federation that the task of supervision, control and rectification of societies must be in the hands of a District agency which is not likely to subordinate the interest of the movement to personal ambition and a desire to perpetuate themselves at the sacrifice of efficiency, in which I am in full agreement. "The futility and farce of entrusting supervision" to weaklings is borne out by facts and experience. Complete overhauling of the structural constitution of institutions and the organisation of systems to cope with the realities of the present situation are absolutely necessary. Finance must be protected by supervision and collection agency. The latter, I should think, can well be in the hands of non-borrowing section without impairing the co-operation spirit. Agriculturists must be satisfied if they are accommodated to the extent of their just needs within the limits of their borrowing and repaying capacity but recoveries and continuous stability of the primaries must be supplemented by a competent agency in a more precise manner.

Federations which are the quintessence of the unions are fast disappearing by reason of the fact that they did not subserve the object of their establishment; when the essence could not come up to

the level what shall we say of the general mass? The mutuality of obligations, the governing body members of unions being themselves worst defaulters in the societies, makes for a lamentable lack of co-ordination and efficiency. The time has come when one should seriously consider if the unions on the working of which much store was laid from a co-operative point of view must not be done away with lock, stock and barrel. I should not be blamed for this suggestion. The amputation of the affected part alone saves the rest of the body. The suggestions of the Joint Registrar contained in pages 10 to 13 are worth immediate adoption with requisite staff in all Central Banks if they are in earnest to avoid the crisis which a neglect in taking rectification proceedings would simply land them in.

"The existence of the numerous bad societies is throwing discredit on the movement and until their condition is improved and public confidence restored, it is unwise to proceed with further registration of societies except in special circumstances" says the Registrar. This break is quite called for in the interest of the movement.

The Registrar says that the great hope of the movement here is that its leaders are fully alive to the dangers of the present situation and are straining every nerve to combat them and that so long as that spirit prevails there need be no fear of a repetition of the Burma fiasco in this Presidency. I cannot help remarking that for one such leader there are half a dozen who act like mill stones round his neck and stampede progress in the right direction.

The movement was implanted more than a quarter of a century ago and we now realise where we stand. What shall we do next is the very important question. It is a mass movement where much is expected of the people themselves for their own amelioration aided by expert advice of departmental men and non-officials with knowledge and experience of Co-operative Banking. It was never intended to be a nursery of personal strife and recrimination *inter se*. The goal must be kept in view and a proper team work alone will enable us to reach the goal. Defects must be remedied with a firm hand. Co-operators should be brought under strict discipline. Otherwise it will be impossible to jack up the engine which is now derailed. Special steps should also be taken to prevent future derailment. Disbursement of loans with due care and caution, supervision of societies honestly and efficiently conducted by a separate agency and the collection of dues without unnecessary delay are the tripod of sound co-operative finance.

Co-operators should owe a deep debt of gratitude to the Registrar for plain-spokenness and Co-operators like my humble self who call a spade a spade in the movement may also be forgiven for their opinion expressed in their zeal, earnestness and enthusiasm for the cause.

Since writing the above I find Mr. Ranganatha Mudaliar, Ex-Minister for Development has observed in the Madras Legislative Council debate that all is not well with the co-operative department and that the movement is heading for a crisis. The Minister in charge has replied that frauds and mismanagement have been on the increase and unless the people could set right matters the Government could do little in improving the state of affairs, the Registrar interfering only in the case of mismanagement.

The success of a society depends upon men in charge of it. The putting of a square man in the round hole whoever brings it about is sure to retard the progress of a Society or a Bank.

The idea of playing to the gallery has to be given up. The purity of the movement has to be restored and kept up at all cost if the ryot population is intended to be benefited by it. The signs that are now visible will lead to a crash unless effective official and well equipped non-official control is introduced. The departmental people are expected to work earnestly with strong and better-minded co-operators from whom honest work can be expected. The forsaking of principle or policy and adherence to personalities for temporary advantage will prove a fatal step in the long run.

The Co operative Movement and the Housing Problem.

BY MR. V. SRINIVASAN, M.A., SRIVILLIPUTTUR.

"If only the great problem, overtopping all others............the problem of house accommodation, independent of employment, giving to the labourers the Archimedean 'standing ground' can be satisfactorily solved,.........we shall be able to congratulate ourselves upon so far having disposed of a very troublesome question and having, to the point required under present conditions, provided for that better living which President Roosevelt made the third point in his seasonable demand for improved 'country life'."

H. W. WOLFF,

Rural Reconstruction, pages 336-7.

"Whether co-operation has done all that it might have done in actual practice to solve the housing question . . . is a most point; but it may fairly be claimed that in raising the standard of general living amongst its members, the movement has had no small share in raising also the standard of housing accommodation required by working class families."

CATHERINE WEBB,

Industrial Co-operation, page 19.

Most countries have been experiencing since the Armistice acute shortage in housing. The problem is becoming one of burning importance and the shortage is becoming almost chronic. There are of course houses in plenty for the well-to-do, but for those with lesser incomes the problem is one of difficulty. Particularly is this true of the poorer classes. In their case housing has failed to keep pace with the expansion of industry and consequently shortage has proved to be one of the subtlest causes of unrest among the workers in the west.

The problem is not merely one of insufficient dwellings as is ordinarily supposed. It is also the inadequacy of those already available. Not only are too many found huddled together but there is what Ryan calls an area congestion where too many live in a particular area or block scarcely leaving any space for recreation either for adults or for children.

That is the problem. Unless there is some improvement here, the masses will perforce be compelled to continue living under conditions regrading to humanity. Efforts are certainly called for to effect the relief desired and nothing can be accomplished by mere resolutions. And Parliamentary action would not avail; it would but touch the fringe of the problem.

It is impossible for private agencies to build on an extensive scale especially as house building has become now rather costly. It is time that the State comes to the rescue; despite several cases of state-aid being abused, states should courageously contribute their share to the solution of the housing problem. After all, shortage and costliness are due to the war which, as Mr. Darling points out, is the making of Governments.

More than half a century ago, England enacted the first law authorising Municipalities to build houses for the working classes and London, Liverpool and Glasgow can show what a great blessing municipal housing has proved to be for the people. Something of the kind has been done in Berlin, and in Ireland Government action has wrought miracles in working class life.

But the Governments of the world have not adequately realised their responsibilities in the matter. This is particularly true of India and even of America where it is said, that barring some effort of the Federal Government during the war, the State's contribution toward solving the problem has been practically nil.

The urgency of the problem has, however, been early recognised by the co-operative movement. Indeed it is scarcely surprising that a popular movement like it came to interest itself in the subject. The founders themselves were alive to this great social question: Owen himself appears to have given community dwellings an important place in his scheme of co-operative life and in 1844 the Rochdale Pioneers enunciated "the building, purchasing or erecting a number of houses in which those members desiring to assist each other in improving their domestic and social condition may reside" as a prominent ideal in their programme. *Since then co-operative effort has in some form or other sought to do something to mitigate the rigours of the problem.

This is but as it should be. Unlike either the state or the municipality, the co-operators could manage their enterprise as

*ERNEST AVES: Co-operative Industry, Page 230.

economically as a group of individuals directly interested could do. Further, the co-operative scheme under which a project is kept going tends to educate persons in a supremely desirable way and scarcely less valuable is the training it gives in co-operative effort. Those engaged learn something in business direction and also learn to co-operate with one another in some kind of business.

We may now examine the forms co-operative efforts take in the sphere of housing.

1. What is called a 'building society' is often constituted with the sole purpose of providing for the house wants of the members. Ordinarily the society is obliged to get loan from the public, either from the Savings Bank as is done in Belgium or from the Municipalities as the German societies do.

2. Or, house-building is included in the general operations of a distributive society. The store will have a housing department. This is possible only in prosperous cases; the capital required is large and capital sunk will be returned only very slowly. The houses will be sold to members who will repay only gradually and by instalments spread over several years. If, however, a large capital is found by a distributive society, house-building has been recognised as one of the best uses that capital can be put to. In fact there have been instance in England where a portion (at times half) of the sum that could not be utilised in trade to the full extent desired, has been profitably diverted to house-building purposes.

In some cases the houses erected by societies are let to the members and from the rents are deducted the premiums towards the repayment of the capital expended. In America the houses are auctioned as soon as they are erected. This may seem unfair but it has been pointed out* that the higher amount the bidder pays goes to swell the common fund thereby profiting every body. But auction is not always resorted to; ordinarily the building is only let. The society retains its control and though it has to see the settlement always tenanted, it could ensure good and hygienic conditions. Moreover the advantages of an increase in value remain for the society a source of potential value, either in increased rent or ultimate profit in sale.

America.—What are known as building societies and loan Associations have made extraordinary progress in America especially

*CHARLES GUIDE: Consumers' Co-operative Societies p. 112(a).

in Massachusetts. They have been described as being practically co-operative stores for the supply of house first hand or second hand to the members on the easy payment system. These seem to be popular, for, according to Bergengren there were in 1922 over 5 million members of building and loan associations with assets totalling 3 billion dollars. Much of this appears to be due to the splendid work of the National Association under the direction of Dr. W. Mc. Caleb many years prominently associated with the credit union movement in America. Referring to these associations Bergengren wrote: "I am inclined to believe that Raiffeisen had, he had the opportunity to study the building and loan development in the U. S. would have claimed more or less remote kinship for it with the system which he and Schulze-Delitzsche originated in Germany." *

The associations work under the general supervision of the State departments of Banking. In common with credit unions, they have a democratic organisation and have for their aim the promotion of habits of thrift and are intended to assist members to buy or build houses. The appeal is to the small saver; the idea is to pool small savings in such a way as to create a fund out of which members may be provided in turn with houses. With the intention of enforcing thrift the value of a share is fixed rather high.

The value of the work done by the building societies can never be overestimated. For onething, the service of helping persons to acquire lodgings is the highly specialised business of the associations. This indeed is a fine type of invertment for the wageworker and the small saver, In this, the associations provide a substitute for the rural credit of the agriculturist. Moreover "the man who is buying a home is, in the process, building up his self-respect and adding to his community value." †

Among other States, North Dakota and Wisconsin have some work to their credit; work, looking like Governmental action.

In the former, it was enacted in 1919 that Government should build and remodel houses for any one that would put up 20 per cent

* Roy F. Bergengren: Co-operative Banking: a credit book Page 235.

† Gide: Consumer's: Co-operative Societies. Page 66, n (2).

of the cost of the house; the person got possession of the house on paying a fifth of the estimated cost.

A Wisconsin law provided for co-operative housing schemes and it authorised the formation of co-operative building corporations in which municipalities may own stocks. "No person can own stock in the Corporation unless he is going to occupy one of the houses which the Corporation builds, no person may own more stock than the value of the house which he will occupy, and the Corporation may not build any house costing more than 5,000 dollars." Under this system the benefits of an increased value go to those who rent or use the houses."*

Mention may also be made of the Housing Corporation in Hog Island. The people engaged in war industries had to be provided for and when no accommodation could be found for them in Philadelphio, the Housing Corporation built houses and consequently all the hands employed in the great ship-building yard at Hog Island have been provided for. It is said that the family houses accommodate 6,000 people and the dormitaries, 8,000. The world has been impressed by this supreme achievement—a worthy example that industrialists all the world over may well endeavour to emulate.

† Bergengren: Co-operative Banking Page 307.

Recent Utterances.

PROBLEMS OF CO-OPERATION.

By Mr. V. Ramadas Pantulu.

THE IMMEDIATE PROBLEM—WHO IS TO LOOK AFTER THE SOCIETIES.

It will be presumptuous for any co-operator in India to claim to be able to give a definitely correct lead to the Movement at the present time, for the causes that contributed to its deterioration in recent years and the remedies suggested for their removal, are truly bewildering. Therefore, in placing my solutions for some of the difficulties that confront us to-day, I ask for no more than a calm and dispassionate consideration of the suggestions put forward by me, in your endeavour to overhaul your local organisations and improve the working of your institutions. Accept them if you consider them helpful.

Confining our attention to this Province and to only one of the important matters in controversy among co-operators, there are men who consider that the deterioration of the primary societies is due to the wholesale divorce of supervision from the financing agencies and entrusting it solely to agencies like District Federations and Local Unions who owe no financial responsibility to the credit institutions or the investing public. There are others who take precisely the opposite view. It was only a week ago that my esteemed friend, Mr. A. Ranganatha Mudaliar, in his address to your District Conference vehemently advocated the case for District Federations and disapproved of the attempts to create administrative branches to the central banks for pooling the supervision fund and centralising supervision through the unions and their staff. This is a matter which deserves the serious attention of all those who are interested in reforming and revitalising the movement in this province. The question in short is who is to look after the societies ? It is an immediate problem. Fortunately the filed for this controversy is becoming narrower every day. Out of 25 District Federations which were once functioning, only 9 are now working and even among these some are qualifying for early dissolution. On the question, of how to deal with the situation in areas where District Federations are still working, it is gratifying to note that there is a general consensus of opinion among co-operators in favour of the District Federation and the central bank acting together not only to carry on the special rectification work now on hand, but also to put the normal supervision on a satisfactory and efficient basis. It is agreed that the Central Bank ought to be represented on the Federation or what comes to the same thing, the administrative work including supervision must be controlled and regulated by a joint committee of the District Federation and Central Bank. Any District Federation which does not agree to such an arrangement must in my opinion be promptly liquidated on grounds of administrative expediency and the best interests of the co-operative movement in the area concerned.

*Presidential address of Mr. V. Ramadas Pantulu at the Bandar Taluk Co-operative Conference held at Masulipatam on 24th April 1932.

In areas where there are no District Federations, the question is not how to centralise supervision or co-ordinate the work of local unions but whether it should be so centralised or co-ordinated at all. Wherever the legitimacy and the need for such centralisation and co-ordination are recognised, administrative branches of the Central Banks have already been formed and taken over the functions. But there are still some areas, I regret to say, where local unions resist centralisation of control over staff and supervision fund and claim unalloyed "autonomy" in regard to such control. Whether this clinging to notions of "independence" or insistence on "Decentaralisation" (by whatever name you describe the attitude) is atrributable to a mere desire to retain patronage in their hands or to an undying faith in co-operative democracy, one thing is certain: the way in which the patronage in the matter of appointing the supervisors was exercised and the supervision fund was administered in the past by those who have been at the helm of affairs in the unions, is not such as to inspire any confidence in their capacity to discharge those functions properly. All the worst "influences of local faction and favouritism" have had their unbridled play in the choice of the men on whose honesty and efficiency the destiny of the movement largely depended. The net result is that in most areas (there are, of course, honourable exceptions) supervision is in the hands of men who are utterly incompetent and often unreliable, and it is no wonder that societies entrusted to the care of such men have deteriorated in some instances beyond the possibility of reclamation. Indeed the opinion in favour of the total abolition of unions is gaining in volume every day. The resolutions of the All India Provincial Co-operative Institutes' Association and the recommendations of the Indian Central Banking Enquiry Committee appear to tend in the same direction.

I do not however propose to deal on this occasion with the larger question of the future of the local unions. I am content with pleading, for the present, that, in all areas where there are no District Federations, the control over the supervisory staff and the supervision fund must be centralised in an administrative branch of the central bank, where it is not already done. I find no violation of any co-operative principle in this arrangement. In the management of almost all central banks, there is a preponderating representation of unions. The control of supervision staff by those managements cannot be said to be that of an outside body. It is a legitimate mode of democratic control by the unions. If the unions in any banking area decline to accept the soundness of this position, and resist such centralisation, I have no hesitation in advocating, for the favourable consideration of the Registrar, the prompt liquidation of all such unions, leaving the concerned central bank to appoint and control the necessary supervisory staff and to collect the supervision fund. Otherwise the central bank concerned will not be in a position to sustain its financial responsibility to the investing public and if it fails to do so, the blame cannot be laid at its door. But, I sincerely hope that the unions will not give occasion for resorting to such a drastic measure and will heed to the earnest appeal which the Registrar has made to them in his latest report, namely, not to seek after power, but to use their influence for the good of the movement.

In regard to the particular conditions of your area, I am afraid that the arrangements are not satisfactory. With your District Federation at Bezwada and your Central Bank at Masulipatam and with little or no co-ordination of effort between these two organisations, the unions and societies are not getting the necessary assistance in the mater of supervision. Although the District Federation may be doing some useful work, I do not think that this dual agency conduces either to efficiency or economy. I am in favour of the Federation being wound up. I think no time should be lost in centralising the control over staff and the supervision fund in the administrative section of your central bank which is already formed. I am unable to agree with the resolutions of your District

Conference urging the abolition of the administrative sections of the Kistna and Bezwada Banks.

If you do not move in this direction quickly, you will find it difficult to speed up collections, reduce the large overdues in your societies and to overhaul your bad societies. The longer this work is neglected, the greater is the danger to the movement.

AUDIT.

Closely connected with the scheme of supervision is the problem of audit. Recently the Government issued an order that societies with a working capital of Rs. 20,000 and above would be charged fees on a prescribed scale for their audit by the Government staff, unless they made other arrangements for their audit. The effect of the resolutions on the subject which the Central Banks' Conference, the Board of Management of the Provincial Bank and the General Body of the Provincial Co-operative Union passed just a fortnight ago, was that the Government should continue to audit free of charge all unlimited liability agricultural societies, irrespective of the size of their working capital, and that the audit of the Central Banks and other limited liability credit societies with a working capital of Rs. 20,000 and above should be centralised under a non-official agency preferably the Madras Provincial Co-operative Bank. The details of that scheme are now being worked out and I request you to give your unstinted support to the principle of that scheme. I am confident that the central banks and the limited liability credit societies which agree to come into that scheme will get very efficient audit service at reasonable cost. If the non-official co-operators decline to work the scheme, it will expose them to the charge of either incompetency or indifference. Disinclination to look at the scheme, which is noticeable in some quarters, is, I am afraid, due to sheer inertia or unwillingness to shoulder the responsibility. When the present subsidy which the Provincial Bank gives for the rectification and consolidation work ceases, the Provincial Bank may be approached to help the central banks and the urban banks by meeting a reasonable portion of the cost of the audit scheme and reduce the financial burden newly imposed on these bodies by the levy of audit fees. All that is now asked for is the acceptance of the principle of the centralised scheme outlined above. It is, of course, open to the Central Banks and limited liability primary societies, with a working capital of Rs. 20,000 and above, either to join the scheme or not.

The scheme does not also aim at dissolving any audit unions which are working now. They may or may not come under the scheme, according to their choice. I am sure that when the initial prejudice against centralisation, which, I know, now exists in some quarters. dies out, the benefits of the scheme will be realised more and more, If the Registrar and the Government support it, I am absolutely confident of the success of the scheme.

THE FINANCIAL CRISIS.

I need hardly say that the credit movement in the province is passing through a serious financial crisis. The resources of the Central Banks are going down. But as there is a simultaneous contraction of credit owing to paucity of societies and members, who are eligible to borrow, having been already largely in default in respect of the past loans, the drop in the resources of the banks has not affected fresh accommodation to the rural co-operators. Indeed the contraction of this credit is carried to excess in some areas. I have noticed that certain central banks have altogether stopped their loaning to societies which are in default, although there may be non-defaulting or non indebted members who are eligible for borrowing. This is certainly an ultra conservative policy which is indefeusible. The good members of a society should not ordinarily suffer for the fault of their unpunctual colleagues. The secretary of one central bank informed the Board of Management of the Provincial Bank that it is the defaulting members, who do not pay up their overdues, that object to further loaning to their societies as the unlimited liability of the societies will thereby increase. This is an unheard-of application of the doctrine of co-operative credit. The members who have not yet borrowed evidently exist, in accordance with this astounding theory, for the benefit of the defaulters and to provide the necessary borrowing power to the societies which misapplied their funds to accommodate members who did not possess the two fundamental virtues of co-operation, namely, thrift and punctuality. I urge that loans should not be altogether stopped where there are good and eligible borrowers in the societies.

In a wider sphere, it appears to me that the Registrar is also carrying this principle of vicarious suffering a little bit to excess in so far as he has unduly restricted the further registration of new societies even in good villages. I agree with him that it is not in every Indian village or town that a co-

operative society can be expected to flourish. I also agree with him that many of the 15,000 existing societies have done little to improve the lot of the ryot. I further agree that a policy of restraint on fresh registration, when we are involved in a huge programme of rectification and consolidation, is the correct policy and has proved beneficial on the whole. Nevertheless, the 30,000 villages which are still anxiously awaiting to witness the birth of a co-operative society in them are not devoid of spots where "exceptionally good facilities for the successful working of a society" exist, to adopt the Registrar's own language in regard to the test for registration of a new society. My position is that while the Registrar's theory and statement of policy are right, their application might easily be more progressive. I venture this opinion because a feeling has come over me that it will lead to stagnation in the movement if the development of co-operative credit in really good areas should be altogether held up till the work of mending or ending the 15,000 old societies is completed, a task which may perhaps not be completed within another decade, even taking an optimistic view. The working of a few more new good societies in promising localities on reformed financial and supervisory basis will furnish object lessons to old societies and will also impart a fresh tone to the movement. So, I appeal to non-official co-operators to make careful investigations into the prospects of the successful working of new societies and approach the Registrar for their registration with necessary materials to convince him of the benefits of registering such societies.

As regards the method of financing the existing societies, while it is a mistake to cut off further credit to them altogether, wherever they have defaulted to the banks, it is at the same time indisputable that considerable care and caution are called for in advancing fresh loans. There are indeed no new principles to be observed in the process, all that is now demanded of us being a genuine observance of the well-understood rules about the scrutiny of the purpose of the loan and the repaying capacity of the borrower. Our troubles to-day are mainly due to the fact that these rules were in the past honoured more in their breach than in their observance. It is really the job of the panchayats of the primaries to ensure the application of these rules, for it is the panchayatdars alone that have first-hand materials to appraise correctly the productive nature of the loan, the borrower's moral fitness as disclosed by his habits of thrift and punctuality and his material credit-worthiness, which has to be ascertained from the margin of his income which determines his capacity to repay. When the panchayats have awefullly neglected the discharge of their undoubted responsibility in this behalf, the position of the central banks become very difficult. They had to rely more and more not on the panchayats but on the recommendations of the local unions in dealing with the loan applications of the societies. When that agency has in its turn failed to realise its responsibility to the movement and made no reliable investigation on the spot, but passed on the loan applications with that financial unconcern which has unfortunately become a feature of the supervising organisations in this province, the central banks became utterly helpless in the matter of ensuring that their funds were safely and soundly invested in their indebted societies. Added to this real handicap, there has been manifestation, of the borrowers' mentality in the representatives of the unions on the Executives of the Banks in the form of resentment at, if not resistance to, care in lending and rigour in collection. As collections fell off and the inflow of fresh deposits thinned, some Central Banks have in their turn defaulted to the Provincial Bank and also approached the Provincial Bank for the repayment of deposits to their outside creditors for which they should have provided from their collections. Once in a way or in exceptional circumstances, there is nothing to worry about such contingencies. But on a general survey of the situation in the Province as a whole, the Provincial Bank felt that unless prompt action was taken and a radical change was effected in its financial policy, a very serious situation would arise. Consequently it was decided to confine the bank's business to short and intermediate loans upto 3 or 5 years and to rule out all varieties of long term loans and loans for discharge of prior debts (except small hand loans or for consequential genuine extensions of well-secured old dues) and purchase of land; and special forms for eliciting the particulars of the purposes and other details of the loans, applied for by the Central Banks were prescribed. I admit that, in this matter, the Provincial Bank has taken upon itself the responsibility and functions of not only the Central Bank, but also of the panchayat of the Primary Society itself to some extent. It was an inevitable course to which it was driven under stress of present financial crisis. I must express my surprise at the resolution of your District Conference, urging the conversion of the old one-year loans into ten-year loans. This is a proposal which no Central Bank could or should entertain.

In the pursuit of its new financial policy, the Provincial Bank has adopted a uniform procedure in regard to all Central Banks.

Central Banks which fell into line with the Provincial Bank's new system and furnished the financial particulars of the loans applied for in the prescribed forms found no difficulty in deriving all legitimate financial assistance. Your District Bank, evidently under a misapprehension of the policy of the Provincial Bank, complained against it to the Registrar. I noticed that the unions at Bhimavaram and Gudlavalleru have not only echoed the complaint but also addressed prayers to the Registrar to intervene to induce the Provincial Bank to change its methods. They were evidently under this same misconception as the Bank was. The Kistna Bank was as a matter of fact in no way inconvenienced. The Provincial Bank has endeavoured and will continue to endeavour to render all legitimate financial assistance to the Central Banks. The Provincial Bank is alive to the fact that your Central Bank maintains its efficiency and that it is being well managed. There is therefore no conceivable reason for the supposition that the Provincial Bank will not continue to provide in the future the necessary financial accommodation to you, as it did in the past. In passing, I may observe that your Central Bank appears to be much over-capitalised. Such superfluous capital will cut down the dividend in lean years and the extra borrowing power it gives is a profitless luxury. Steps may therefore be usefully taken to reduce the capital of your bank.

In this connection I may also mention that the Provincial Bank's new financial policy has the whole-hearted approval of the Registrar and the Provincial Bank has welcomed in the past and will continue to welcome in the future any advice and guidance which the Registrar may think fit to give to it. I also desire to acknowledge the valuable assistance which the Registrar has been rendering to the Movement by his presence at the meetings of the Executive Committee of the Provincial Bank and helping them in dealing with the loan applications of the central banks. So far as I remember there has not been any disagreement between the Executive Committee and the Registrar in regard to the disposal of a loan application of any central bank.

Before I conclude, my observations on the financial crisis, I desire to draw the attention of the central banks in the Province to the impending danger of the local bodies withdrawing more and more of their funds. I was hitherto contemplating the contingency of withdrawal of railway cess and the like, when capital expenditure on the works had to be incurred. But now, the Local Boards have circularised the central banks of their intention to withdraw their long-lying money for investment in securities like the ten year debentures of the land mortgage banks which bear 6½ per cent. interest. The central banks have, therefore, to take particular care in fixing the size and dates of the instalments of the repayments to local boards so as to cause the least dislocation of their finances. It is only when such precautions are taken that the Provincial Bank can be reasonably expected to come to their rescue in special cases of difficulty to meet the commitments.

LAND MORTGAGE BANKS.

I wish to say a few words in regard to the working of your land mortgage banks. In your area there are two banks one at Gudlavalleru and one at Vadlamannadu. Some villages of your taluk are under the one, some under the other and the rest under neither. This is hardly satisfactory. The area of operations of the Primary Land Mortgage Banks should be substantially enlarged. A net work of these small primary banks will cause considerable inconvenience in future, and the Central Land Mortgage Bank at Madras will find it very difficult to manage them. In my opinion the whole of the Krishna District ought to be covered by not more than two or three Land Mortgage Banks with a large clientele for each. The Gudlavalleru and Vadlamannadu Banks might be amalgamated without any difficulty and much to the advantage of the agriculturists of this locality. Gudivada and Bandar taluks can be brought under that Bank. If that is not immediately possible, the entire Gudivada Taluk may be allocated to the Bank at Gudlavalleru and the entire Bandar Taluk to the Vadlamannadu Bank, with its headquarters at Masulipatam instead of Pedana.

When the Banks at Gudlavalleru and Vadlamannadu were started, Dr. Pattabhi Seetharamiah, whose inspiring presence and sagacious advice we miss here to-day, owing to his enforced presence elsewhere in the service of the motherland, sketched out a plan for tackling the entire rural indebtedness of one or two select villages. His plan was to find all the money required for the short term needs of the villager from the rural credit societies and all the long term money required for discharge of prior debts and other long term purposes from the Land Mortgage Banks. It was a most admirable scheme, but it required a man of his genius and dash to work it. But is it too much to hope that some of you will make the necessary preliminary economic survey and prepare the ground for him to take it up as soon as he comes back to his old and familiar field of activities?

I must now conclude. Notwithstanding the many drawbacks of the Movement and its admittedly bad condition to-day, there is no room whatever for despondency, much less for anxiety regarding the safety of the money invested in the Movement. The money is safe and there is no possible doubt about the ultimate recoverability of every pie. The movement wants Men and not Money for its progress on sound lines and Men of the right type. The Registrar has struck the right note when he said, "Its successful working requires a very high standard of unselfishness and public spirit combined with a modicum of leisure among those who undertake its management." Let us draw men with those qualifications into the Movement, and the Movement will not only be a success but also a blessing.

2 HIS HIGHNESS THE YUVARAJAH OF MYSORE ON CO-OPERATION.

His Highness the Yuvarajah of Mysore laid the foundation stone of the new buildings to be erected by the District Co-operative Bank of Salem and, in reply to the address presented by the Bank, said :—

" It has given me very great pleasure to come here to-day, to meet such a distinguished gathering of promoters of the co-operative movement and to lay the foundation-stone of what, I hope, will be a temple of mutual help and goodwill for many years to come.

" Believing as I do that in co-operation lies the secret of progress for our country, it is always a delight to me to read or hear of advances made in this field of work. And it has been especially delightful to-day to hear a brief sketch of the progress of one of the oldest co-operative banks in India, with a history of 23 years of strenuous work behind it. In these years you have built up your share capital to Rs. 1,82,000, with a reserve fund not very far short of it. Your deposits are 25 lakhs, with loans of nearly a like amount. And you have given the lead in the appointment of inspectors to test your assets. Nor have you confined yourselves only to the money-lending side of the business. You have encouraged the formation of special societies and the grant of produce loans, village impovement and the common good, and are now devoting a large part of your profits to the erection of a dignified building, worthy of the importance of the bank and of the cause in general.

I am particularly interested in your further project of a chuttram, the nucleus of the funds for which you owe to a donation made by His Highness the Maharaja nearly ten years ago. You have now increased this nearly tenfold, and I hope the time is not far distant when you will have secured a satisfactory site and carried through the project to completion.

THE FUTURE OF CO-OPERATION.

While congratulating you on all these achievements in the past, I hope you will pardon me, as an earnest student of co-operation if I sound a note of warning as to the future. Our whole movement is built up, as you will know, on certain fundamental assumptions with reference, for instance, to demand and supply and prices of produce, on which other assumptions as to rates of interest, proportion of reserve to share capital and so forth have been based. And in the last four years all the world over we have been witnessing the complete reversal, one after another, of assumptions that we thought to be almost axiomatic. Production and

consumption have got out of step. Men have been starving in the midst of plenty, and product after product has been added to the list of those which no longer pay the cost of production.

In such a state of affairs, it behoves all of us, co-operators, to take counsel together as to how we are to meet a strain unlike any to which the movement has yet been subjected.

It seems ungenerous at such a time to preach the doctrine of "safety first", but the enormous number of bank failures that have taken place, particularly in America, surely teaches us, if nothing else, that we have all of us to reconsider, and that quickly, the adequacy of our standards of reserves. Again I notice that you have been taking up the question (I am glad to see it is a cautious experiment) of produce loans. An excellent thing in ordinary times, but one to be very cautiously gone about when prices are falling to unknown depths. You have only to look at the fate, for instance, of coffee in Brazil, of jute in Bengal or of rubber in the Malay States, to be warned of the danger of laying up stocks of produce for a rise of price.

WANTED—AN INTELLIGENCE BUREAU.

" What then are we to do to help one another ? I will ask you to consider one thing to-day and that is whether you cannot convert yourselves into an intelligence bureau for the raiyat and help both him and yourselves by telling him what crops it will pay him to grow and where he will find a market for them when grown. We read of aeroplanes scouring Bengal to advise the raiyats to restrict the production of jute, and I am sure you can all think of times when similar advice as regards other commercial crops, such as groundnut, could have been invaluable. It is much more difficult to tell the growers what to put in the place of these crops or where to sell their produce, but to take a small example. I believe there would be a handsome profit for an enterprising co-operative society that would send a few truck-loads of cholam straw for cattle fodder to Mysore City, where a prolonged drought has produced a shortage.

These are the instances that occur to one who is not in close touch with trade and business, but I hope they are enough to establish my point that the times are terribly out of joint and that when they are so, the first remedy to be thought of is—as I am sure you will all agree—more co-operation. Co-operation not only in borrowing and lending but in buying and selling, in knowledge and enterprise, in thinking out new ways of reducing costs and gaining new markets in helping one another to tide over difficulties. I feel sure that the Directors of the Salem District Bank will be ready to give a lead in these matters, as they have proved themselves ready to give a lead in others in the past.

Ladies and Gentlemen, I have great pleasure in laying the foundation stone of this new building, and I hope that, as the years go by, it will become increasingly a centre of help and knowledge and a big brother for every raiyat and trader in the district.

3. EXTRACTS FROM THE PRESIDENTIAL ADDRESS

OF

M. R. Ry. A. RANGANATHA MUDALIAR AVL., B.A., B.L., M.L.C.,

At the 16th Co-operative Conference, Kistna District held at Pengolanu on the 16th and 17th April '32.

Mr. A. Ranganatha Mudaliar started by saying that he was going to be frank and outspoken. He went on to add that none has any illusion about the crisis to which the movement is heading and said it has not come upon us by surprise. He analysed the causes that led to the state of affairs and apportioned the blame equally between the Government and the non-official co-operators.

"For some of the causes that have led to the present situation, I think the Government are directly responsible and for others the non-official co-operators. I say the Government are responsible for the following among other reasons. For a long time they have been treating the Office of the Registrar of Co-operative Societies as one of the many jobs within the reach of the members of the Civil Service and in filling it up from time to time, I do not think they ever exercised that care and caution which the public had a right to expect of them because of its vital relationship with the well being of the ryots. A District Collector's job is something quite different and to my mind comparatively unimportant. This Office has been in existence for several decades and the work connected with it fairly well organised and the machinery for its execution more or less perfect and efficient, at least from a mechanical point of view. Not so the office of the Registrar. New and complex problems constantly force themselves on him and brook no delay in their solution. Further, he is by no means sure if the foundations of the movement have been well and truely laid. He has constantly to be on the alert and watch whether the structure in progress fits in with the plan of things or will need to be scrapped later on. So, in my opinion, the warning conveyed by the Royal Commission on Agriculture not to treat the post of Registrar as a prize appointment to any Civilian of a certain service without regard to previous evidence of his competency for the post is both timely and necessary even to the Madras Government. If the Co-operative movement had been a purely private business concern, I do not think that its affairs would have been allowed to drift as they have been by the Local Government nor would the officials responsible for the drift have failed to reap the fruits of their negligence and mismanagement as they have under Government control. Where,

except under an irresponsible Government would you have the spectacl of the tenure of a responsible office like that of the Registrar bein limited on the average to less than three years ?

My next complaint is that the Government are not sufficiently i close touch with the working of the Department and the policies fron time to time underlying its administration. They should, after takin expert advice if necessary, have laid down a clear programme of worl and policy for the Registrar to follow and they should not hesitate t haul up their Agent at the first indication that their policy and pro gramme is being deviated from. But I see no evidence of it at present I shall give you only one instance in support of my statement. You ar all aware of the recent controversy 'Federation versus Bank.' Th question is asked, what should be the agency to carry on propaganda supervise the work of societies, rectify errors, consolidate and extend th co-operative movement generally? Fortunately or unfortunately fo the Government of Madras, the identical question has already engage the attention of distinguished Committees and Commissions and elicite unequivocal expressions of their opinion in the matter. The Roya Commission on Agriculture held the view that as a general principle th Central Banks should not undertake the work of supervision. Th President of the Committee on Co-operation, Madras, had no doub whatever that supervision should not be entrusted to Banks and hi Committee also considered that the discharge of the function of super vision by the banks was not an ideal arrangement. They held tha the responsibilities of Federations should include the exercise of genera supervision over the work of Unions and Union Supervisors. Th Registrar's report for 1927-28 definitely committed the Department t the extension of the Federation scheme. The report in fact regarde the question as a settled fact and deprecated its being reopened fo consideration by the few still interested in the matter. I do not know whether the then Registrar obtained the previous sanction of the Govern ment before he committed the Department to his views. But there is n doubt that the Registrar was allowed by the Government to act on th lines indicated by him.

Now, however, we find a change of policy with a change of the Registrar. Speaking of Federation and Bank administrative sections, th present Registrar says "personally, I am quite convinced that it wa never desirable to create separate bodies to attend to supervision an propaganda. This involved additional and unnecessary expenditure and in my opinion, there was never any justification for the view that Centra Banks, if entrusted with these functions, would tend to lay undue stres on the financial aspect." And the Registrar's opinion, evidently, has no been so far without practical results; for, we read in his report "Fou

District Federations were dissolved during the year. Several of the remainder had merely a nominal existence." I want it to be clearly understood that I attach no blame whatsoever to the present Registrar for differing from his predecessor and following his own policy. Rather, I respect for his bold enunciation of his views, the respectable authorities to the contrary notwithstanding. But I do charge the Government with a neglect of their elementary duty when they know that a different policy is being pursued now and yet would not say whether it has their approval or not. My third complaint against Government is that it cannot be said that their officers were till now unaware of the sins of omission and commission on part of the non-official authorities responsible for the management of banks and societies and that their mistaken methods, if allowed to continue unchecked, would lead the movement to disaster. Still they did not take effective action to prevent the recurrence of these irregularities. For example, a Secretary of a bank receives the loan instalment due by a member but fails to credit it in the accounts. The omission is not noticed for a number of years and when it is actually found out, the amount is credited in the accounts and nothing further is said of the matter. A minimum is prescribed and if the daily balance is in excess of it, the excess at least should be credited to the nearest bank or Treasury, but daily balances amounting to tens of thousands of rupees in excess of the minimum prescribed are kept unremitted for a whole year or more and presumably used or rather misused for private purposes and yet the person at fault is no worse after the discovery. Instances might be multiplied. The department which had charged itself with the duty of audit and supervision failed in my opinion firstly in not discovering these irregularities much earlier than they actually did and secondly after discovery, in not taking adequate notice of their own men and the non-official authorities concerned for their respective derilictions of duty. The truth is that, till recently, there was a sort of notion in the movement that the co-operative movement for whose establishment and growth it was mainly responsible would suffer if all the errors connected with it were publicly exposed and the people, specially the honorary non-officials responsible for them, were punitively dealt with. So everybody was willing to draw a veil over the mistakes found out, if the money involved, if any, was somehow made good. I have already said that the non-official co-operators also cannot escape blame for the present state of affairs. Co-operative work is one of the noblest kinds of work thaf can fall to the lot of any man to do. The work requires men, not even so much of influence and wealth as of great love for their fellow creatures, with an earnest desire to serve them truly and well and enough leisure to devote to their self imposed labour of love, without detriment to their earning, enough for a reasonably comfortable living. But in the past at any rate, too much attention

was, I fear, paid to influence and wealth and less to character and real public spirit. And, with such a wide scope as in the Co-operative Department for leaders either to serve themselves or others, weaknesses like "growing overdues, the abuse of loans, the grant of short term loans for long term purposes, benami transactions" become inevitable. Several panchayatdars utilised the co-operative societies only to advance loans to those who were already indebted to them and whose capacity for re-payment was doubtful, if not hopeless and indirectly recover their dues which otherwise they could not. Properties were over estimated to make possible the grant of ioans beyond repaying capacity and no serious attempts were made to find out if the loan applications were bonafide in all respects and whether the loans applied for were really meant to be utilised for the purposes indicated in the loan applications.

It might be said that if such undesirable people come to hold positions of power and influence, it was the General body of members who were alone to be blamed. It may be so; but any one who knows anything of the village conditions, the ignorance of the average villager and his general helplessness, will concede how hard it is for him to stand up against his rich neighbours round him specially when he has none other to fall back upon if he antagonises the former."

His remedies are :—

1. *Educate members regarding their rights and duties.*
2. *Enforce bye-laws strictly and impartially.*
3. *Let the Government get expert advice if needed.*
4. *The Registrar's post to be looked upon as very important and he to have some " understudy ".*
5. *The Province to be divided into two units, North and South, each under a Registrar and the Government to control the movement by a strong secretariat.*
6. *Complete overhauling of the existing societies,, that is, end bad ones and mend the others.*

He also emphasised upon the need for our attaching importance more to duties than rights and hence Banks, Federations and Unions should view with each other not in grabling at power and patronage, but in rendering service. He pleaded with the Central Banks to hand down benefits they get from above and said negotism must go. He also pleased for cautious expansion and not complete stopping of registration of fresh societies.

"You are all aware of the phrase which is constantly on the departmental people, namely, that this is a time only for rectification and consolidation and not one for expansion. I can understand this attitude, if the department has already concluded that the co-operative movement is not for this province and that the sooner it is wound up the better it would be for us. But it is not their view. There are thousands of villages where there are no societies yet. How long shall they wait before they get one? If you have made mistakes in the past, that can only be a reason to avoid them in the future and not to stand still. Further, this policy of marking time is causing incalculable hardship to people, specially in view of the declared policy of the Government and the provincial bank that only short term loans will be granted by the present societies.

What about the people who want long term loans or are unable to repay the loans already taken by them, unless they are treated as long term loans. Will you not form Land Mortgage Banks for redemption of ryots when it is possible to save? What about the possibilities of the Loan and Sale societies and will you not establish more of them? It is needless to pursue the matter further. In my opinion the expansion can and ought to go side by side with the work of the rectification and consolidation."

Reviews.

CO-OPERATION IN INDIA.

EDITED BY PROF. H. L. KAJI M.A.,

Published by the All-India Co-operative Institutes' Association, Bombay

PRICE Rs. 5-0-0.

This is the first volume of the Indian co-operative series. The genesis is only partly explained in the preface. It was originally intended to publish a book on Indian Co-operation more or less on the lines of the People's Year Book published by the C. W. S. of England, but certain modifications had to be effected owing to circumstances and we have the volume before us.

It is a fine illustration of co-operation. All leading workers in the various provinces have co-operated by way of contributing articles each on his own topic and the result is an admirable volume full of much useful information. It is divided into seven broad sections. The first, styled Introduction, gives a general idea of co-operation in India set upon a back-ground of economical survey. The next section on Co-operative Finance is one of the best in the book, as each chapter is written by a high authority. If the article of Mr. Ramadas on village society be transferred to this section, it is a self-contained whole and deserves to be published as a hand-book to students. The next section dealing with non-credit co-operation deals obviously with a few prominent instances in that vast field and though every article is good, those on Consolidation of Holdings, Housing, Milk Supply of Bengal and Stores deserve to be specially mentioned. The next section dealing with Co-operative Institutes and Education is from the pen of professors who are in intimate touch with the subject and could speak with authority upon it derived from their first hand knowledge.

Mr. Brahma who writes on Co-operative Law, is the author of a volume on the subject published under the same auspices and hence its authoritative nature can easily be understood. The next section called "General Problems" is one of the most interesting in the volume and we would be excused if we single out the articles on Rural Reconstruction and on Indian Women and Co-operation by Mr. Mehta, I.C.S., and by Mr. Warty, for special mention.

The last section but not the least is one called Directory. It deals with Co-operative literature available in India as books, pamphlets and journals and gives a list of important co-operative organisations. A very human touch is added by a section called "Who is Who" in Co-operation.

The Institutes' Association that sponsored the scheme and the General Editor, Prof. H. L. Kaji, that worked at it deserve to be congratulated. A few typographical errors that have crept in would, we believe, be avoided when the second edition is brought out which we hope would be in the near future. We have no doubt this delightful volume will find a place in the library of all important co-operative societies and co-operators, official and non-official. It would be an excellent guide to any foreigner who wants to study the co-operative movement in India and hence we hope it would find a place in all co-operative libraries abroad as well. The publishers have wisely fixed the price at Rs. 5/- which compares very favourably with Rs. 10/- fixed for "Co-operation in Bombay".

S. K. Y.

* Co-operation in Bombay– Short Studies

EDITED BY PROF. H. L. KAJI M.A.,

Published by Messrs. D. B. Tarporevala Sons & Co., Bombay.

PRICE Rs. 10.

As the learned editor points out in the preface, when co-operators in Bombay began to seriously tackle the question of co-operative education, they were confronted with this difficulty, the absence in general of any literature on the subject and especially suitable text books: and the book under review is an attempt to remove such obstacles. The book is an attempt to help those who desire to make a study of the co-operative movement in the Province of Bombay and it is made up of contributions by "prominent workers in the province of Bombay on subjects with which they were intimately connected, of which they had made a special study and on which they could be regarded as experts and authorities."

In the first section, which is introductory, Prof. Kaji himself contributes learned articles on the co-operative movement, its aims and ideals and on the various types of co-operative societies.

Chapters I, II, III and VII deal with the financial aspect of the movement. Chapter III on the Provincial Co-operative Bank of Bombay is by Mr. V. M. Thakore of the Bihar and Orissa Provincial Co-operative Bank, the only instance in the book of a non-Bombay writer contributing an article. Mr. V. L. Mehta, Managing Director of the Bombay apex bank did not evidently want to write about his own institution and contented himself with writing the admirable Chapter II dealing with financial structure of the movement as a whole. Mr. Thakore has done justice to the task entrusted to him and has described the growth of the bank and has examined impartially the relation between the apex bank with its branches and the central banks. His views on the positions of the bank in the world of co-operative banking and on the general question of centralisation of finance would be read with interest, especially alongside Mr. Mehta's observation on the subject in the concluding portion of his articles "The financial structure of the co-operative movement" in the companion volume, Co-operation in India, reviewed elsewhere.

The chapter on Agricultural Supply and Marketting not only deals with the question of the need for it, but examines the machinery now available and concludes with an appeal for repeating the experiment for

*We are sorry there has been some delay in getting this book reviewed—Editor, Madras Journal of Co-operation.

starting, in spite of previous failure, an agricultural Wholesale for the province. The next chapter is devoted to cotton sale societies, one of Bombay's real achievements.

The chapter on Consumers' Co-operation by the editor himself could have devoted more space to the recording of actual achievement in Bombay which is by no means insignificant, we are unable to agree with the suggestion of starting a central store "on business lines, not smacking of charity or philanthropy at all, but adopting competitive co-operation—competitive principles for the conduct of business and co-operative principles in the distribution of profits,"—an attempt to have the best of both the worlds, which is bound to be only as successful as the attempt to serve God and Mammon simultaneously. There is no short cut to success in this field. Persons feeling the need for a store should join together and work it patiently to a success and such institutions must gradually grow and federate themselves in due course into bigger units. There can be no "big business" filtering down to reach the masses. It must be a slow growth from below upwards. That at least is our experience in this Province and our experience counts at least in this field.

Mr. Talmaki's contributions on secondary occupation of raiyat and on the Bombay Institute are characteristically thorough and informing. Experts have written on the movement among the workmen and on co-operative law. The Bombay Co-operative Societies' Act of 1925 and the rules framed thereunder which have been added make the volume a very useful book of reference.

It is an honest attempt to record the progress achieved in Bombay Presidency and to explain the machinery in its working order with suggestions here and there about the lines of future developments. It is an authoritative book so far as the movement in Bombay is concerned and should be read side by side with the other book, Co-operation in India.

Two suggestions we have to make. The one to the authorities responsible for the publication of the book is about its price. The price of Rs. 10/- is too much from the point of view of an average Indian Co-operator, though it may not perhaps be too much from Bombay's standpoint. The other suggestion is that Provincial Institutes of other provinces will do well to publish authoritative expositions of the movement in their respective provinces so that the All-India Institutes' Association may have sufficient reliable data with the help of which they can make their book "Co-operation in India" still more informing in its future editions.

V. RAMADAS PANTULU

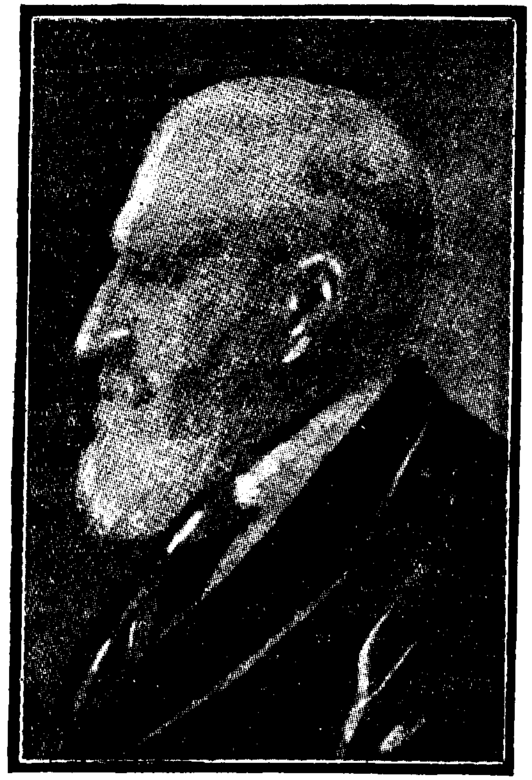
Extracts.

THE LATE PROF. CHARLES GIDE.

Professor Charles Gide was born on 29th June, 1847, in Uzes in the department of Gard. He belonged to a Huguenot family and his father was the presiding judge in the Uzes civil court. He was educated in the local municipal school and later went to Paris to study law. He graduated in 1872 and two years later, he was appointed to the chair of political economy at the Bordeaux University. In 1880 he was transferred to the University of Montpellier. In 1883 he published his "Principles of Political Economy" which became a standard work on the subject and was translated into 49 languages. In 1887 he founded, together with a number of other distinguished French economists, the "Revue d' Economie Politique". In 1900 Professor Gide was transferred to the University of Paris, where he occupied the chair of comparative social economy, a chair which was specially founded for him. In 1921 he retired with the title of honorary professor. The French Co-operative Union, however, founded a special chair of Co-operation at the College de-France, which Charles Gide occupied from 1924 to 1930.

PROFESSOR GIDE'S CO-OPERATIVE CAREER.

Already at the early age of 20, Charles Gide became deeply interested in the idea of Co-operation. He first learnt of the Rochdale Pioneers from an article by Elie Reclus, one of the pioneers of Co-operation in France, which was published in 1867. In 1886 he joined the small group of co-operators in Nimes, headed by Edouard de Boyve, whe were responsible for the convocation of the first Congress, which took place at Lyons in the same year. In 1902, he became President of the Co-operative Union and in 1903 he was elected to the Central Committee of the I.C.A. Since then he took a prominent part in the development of the Co-operative Movement in France and he played an important role in re-uniting the French Consumers' Movement in 1912 into the National Federation of Consumers' Societies. At the end of the war, Professor Gide took an active part in the Conferences which prepared the way for the resumption of the activity of I. C. A., and at the Congress at Basle in 1921 read an important paper on "The Principle of International Right According to the Spirit of Co-operation." It is not only as an economist, but as a co-operative theoretician and writer



THE LATE PROF. CHARLES GIDE.

that Professor Charles Gide won world fame. He was a regular contributor to 'L' Emancipation,' the French monthly, founded by his friend de-Boyve, and later became its Editor. He contributed innumerable articles to the different publications of the French Co-operative Union and over 3,000 to the Co-operative Press outside France: His more important contributions to co-operative literature include 'Les Co-operatives de-Consommation', which has been translated into several languages; 'Co operation, Conferences de-Propagande"; and the course of lectures which he delivered during his six years' tenure of the chair of Co-operation in Paris, which have been published in 20 volumes and in many cases translated.

(Co-operative News Service of 21-3-1932).

Mr. H. J. May, Secretary of the International Co-operative Alliance and a collaborateur with Professor Gide since 1913, sends the "Co-operative News" the following tribute:—

"The death of Professor Charles Gide at the ripe age of eighty-five years deprives the world of one of its truest and most progressive thinkers, the French Co-operative movement of its doyen and inspiration, the International Co-operative Alliance of its most distinquished intellectual and guide.

Amongst the great souls of this world Charles Gide holds a foremost place, and though his physical presence has gone the light of his spirit only shines the brighter.

As an economist and teacher his reputation was European, and he was Heterodox with the heterodoxy which always characterises the true idealist. His writings on political economy have been translated into more foreign languages than those of any living economist, and his standard work on political economy into more tongues than any book except the Bible.

In co-operation he found at once the abiding refuge of his ideals and the practical means of their realisation. To those who love their fellowmen without prejudice of race, resources, or talent, Charles Gide was an elder and much loved brother whose unerring instinct for the truth, consuming passion for justice, and all pervading humanity elevated to the eminence of an apostle."

(Co-operative News, 26-3-1932).

Proceedings

OF THE

MEETING OF THE BOARD OF MANAGEMENT OF THE P.C.U.,

Held on Saturday, the 9th April 1932.

PRESENT :—

Messrs. 1. V. Ramadas Pantulu (in the Chair)
" 2. T. A. Ramalingam Chettiar
" 3. V. Krishna Menon
" 4. K. L. Narasimha Rao
" 5. A. Rajabadar Mudaliar
" 6. M. K. Pattabhiram
" 7. S. Nagaswamy Iyer
" 8. N. Satyanarayana
" 9. D. V. Shiva Rao
" 10. Dr. P. Gurumurthy
" 11. C. Subba Rao
" 12. R. G. Nallakuttalam Pillai
" 13. A. Narayana Bhatt
" 14. G. Sriram Babu Naidu
" 15. K. V. Tiruvenkatam Mudaliyar
" 16. J. Krishnamurti Rao
" 17. C. Seshagiri Rao
" 18. O. A. Narayanaswamy Iyer
" 19. S. N. Venkataswamy Naidu
" 20. M. Muthukumaraswamy Mudaliar
" 21. L. Gangadhara Sastry
" 22. N. Sundararaja Iyengar
" 23. V. Rama Rao
" 24. K. M. Singaravelu Mudaliar
" 25. R. Krishnaswamy Iyengar
" 26. E. S. Sunda
" 27. V. Venkatasubbaiya
" 28. S. K. Yegnanarayana Iyer
" 29. K. G. Sivaswamy
" 30. V. Venkatachalam.

In addition to the above members, D.N Strathie Esq., I.C.S., Registrar of Co-operative Societies, S. M. Shah Saheb Bahadur, B.A., Sub-Deputy Registrar of Co-operative Societies, and Mr. G. Srinivasaraghavachariar, and

P. Gopala Nair and R. M. Kaimal, who have come to Madras from Travancore to study the co-operative movement here were also present.

Resolutions.

1. Consideration of the Annual Administration Report of the Union from 1st June 1931 to 31st March 1932 and Audit Review for 1930-31.

" Adopted and place before the General Body."

2. Statement of Receipts and Charges from 1st July 1931 to 31st March 1932.

"Passed and Recorded"

3. Consideration of Amendments to bye-laws and resolutions due notice of which has been received in the office.

" Resolved that for page 3 and 1st para of page 4 of the printed amendments the following be substituted and para (*b*) in page 4 be changed into para (*c*) and the amendments with the above alterations be placed before the General Body for consideration." ;—

"(*g*) representatives elected by the other member societies as hereunder provided.

(i)	Central Banks ...	Six representatives, Two from the Tamil Districts, Two from the Telugu Districts, one from Malabar and one from South Kanara.
(ii)	Local Unions and District Federations.	Local Unions and District Federations where they exist, one delegate for each district.
(iii)	Urban Banks ...	Two representatives.
(iv)	Limited Primary Non-credit Societies not falling under any of the other classes.	Two representatives.
(v)	Primary Land Mortgage Banks.	Two representatives, one from the Tamil Districts and one from the Telugu Districts.
(vi)	Training Institutes ...	Two representatives, one from the Tamil Districts and one from the Telugu Districts.

(*h*) Three Honorary members, who shall be co-opted by the other members of the Board, referred to in the foregoing clauses (*a*) to (*g*), at the first meeting of the Board.

XX. (2) The election of the representatives of the constituencies mentioned in clause (g) shall be made as follows :—

(a) The representatives of the first constituency, namely, Central Banks, shall be elected at the meeting of the General Body of the Union, by the delegates of the said constituency, attending such meeting.

(b) The District representatives of the second constituency, namely, Local Unions and District Federations, shall be elected in the District at either the General Body meeting of the Central Bank, where there is only one central bank in the district, or in such other manner as such central bank may arrange in consultation with the Executive Committee of the Union. In districts where there are more central banks than one, the Executive Committee of the Provincial Co-operative Union shall arrange for election by postal voting."

4. Government Order No. 154 Press dated 2-2-1932 on Audit Fees to be levied for societies.

"Resolved to refer to the General Body."

5. Continuation of the Village Panchayat Journal.

"Resolved that the arrangements made by the President for editing the Village Panchayat Journal till 30-6-1932 by requesting Mr. V. Venkatasubbaiya to undertake the same till June 1932 on an honorary basis, in lieu of the old arrangements, be approved."

6. Arrangements for the 20th Provincial Co-operative Conference.

"Adjourned to the next meeting of the Board."

7. Ratification of the Provident Fund amounts paid to the following including the Provincial Co-operative Union contribution :—

		Rs.	A.	P.
Mr. G. Sundaram	...	53	13	0
„ S. Swaminathan	...	43	12	0
„ Y. Sankarasubramanian	...	25	0	0
Chinnappan	...	34	14	0

"Ratified."

V. RAMADAS,
President.

Proceedings

OF THE

MEETING OF THE GENERAL BODY OF THE P.C.U.

Held on Sunday, the 10th April 1932.

The meeting of the General Body of the Madras Provincial Co-operative Union was held in the premises of the Union on Sunday, the 10th of April 1932 at 1 p.m. D. N. Strathie Esq., I. C. S. the Registrar of Co-operative Societies, Madras, was present throughout. Mr. V. Ramadas Pantulu, the President of the Union, occupied the Chair.

The meeting was largely attended by representatives of many of the member societies. Of the total number of delegates who attended, namely 144, 4 were from Provincial Societies, 1 from Language Federation, 9 from District Federations, 22 from Central Banks, 77 from Local and Audit Unions, 6 from Training Institutes, 16 from Urban Banks, 8 from Non-credit Societies and 1 from Primary Land Mortgage Banks.

The first item on the agenda was the consideration of the Annual Administration Report from 1st June 1931 to 31st March 1932 and the Audit Review for the year 1930-31. As printed copies of the Report had been circulated to the members before the meeting began, it was taken as read. In the dicussion that followed, Mr. S. Krishnaswamy Iyengar, representative of the Christian Co-operative Central Bank, observed that propaganda among the depressed classes had not beeen undertaken by the Provincial Co-operative Union except in the city of Madras, that districts allotted for propaganda tours were widely separated, which was uneconomical and should be contiguous as far as possible and that the Union had helped only the Madras District Co-operative Central Bank in the matter of collections by lending the services a Supervisor employed by the Union for the city. Mr. N. Satyanarayana, speaking next, pointed out that special attention was being given to the depressed classes in all the Rural Reconstruction Centres and that as a matter of fact contiguous districts alone had been allotted to each member for propaganda, but it was only in visiting Training Institutes at the request of the Superintendents that some members had to visit distant districts and that the Union did not incur extra cost by such visits. M. R. Ry Diwan Bahadur M. Ramachandra Rau Garu, President of the Central Land Mortgage Bank, pleaded for more propaganda on behalf of the land mortgage banks especially in southern districts and said that the authorities of the Central Land Mortgage Bank would be glad to supply any literature and pamphlets on the subject to the propagandists. Mr. Krishnaswamy Pillay of Musiri regretted that fewer Rural Reconstruction Centres has been started in the Tamil Districts than in the Telugu ones.

Mr. K. G. Sivaswamy Iyer moved that the statement that the constitution of the Provincial Co-operative Conference had been accepted by the General Body be deleted from the Administration Report, as his own recollection was that it was passed not by the General Body, but only by the Conference and by the Board of Management of the Union. The President read the correspondence that had taken place between Mr. K. G. Sivaswamy Iyer and Mr. S. K. Yegnanarayana Iyer and himself and observed that they could go only by the record kept in the office which showed that the constitution of the Conference had been adopted by the General Body. M. R. Ry. Rao Bahadur T. A. Ramalingam Chettiar Avergal, suggested that hereafter the minutes may be recorded in a book then and there by one of the Secretaries or an officer authorised to do so. This was agreed upon and Mr. K G. Sivaswamy Iyer did not press his proposal.

Mr. Shunmugam Mudaliar (Tinnevelly) observed that the report had not been circulated sufficiently early. It was agreed that in future the report should be sent to the members at least seven days before the meeting.

Mr. V. Ramadas Pantulu, replying to the various points raised in the discussion, said that for propaganda districts had been allotted to various members with due regard to economy, but that some members were invited by Training Institutes to address their students and they had then to respond. In some cases their travelling allowances were paid by the Institutes. Visits to Rural Reconstruction centres must necessarily involve visits to widely separated districts where they are situated. With regard to the number and distribution of Rural Reconstruction centres, if they are fewer in the Tamil districts than in the Telugu districts, it was only because the district banks from the South had not come forward to work the scheme. As a matter of fact, no application from any district in the south had been declined and if proposals should come from Trichinopoly or Madura, they would certainly be entertained. Regarding the late issue of the Administration report, he pointed out that the audit review had been received only on the 3rd April and therefore there had been no avoidable delay.

The adoption of the report was proposed by Mr. T. A. Ramalingam Chettiar and seconded by M. R. Ry. Diwan Bahadur M. Ramachandra Rao Garu. The proposition was carried unanimously.

II. Amendments to Bye-laws.

The amendments to bye-laws of which notice had been given by Messrs. V. Ramadas Pantulu and S. K. Yegnanarayana Iyer and which were considered and modified by the Board of Management on the 9th evening were then taken up.

Before the motion was put to vote, Mr. D. N. Strathie, I.C.S., the Registrar of Co-operative Societies, speaking on the amendments, pleaded for the united opinion of the co-operators on the constitution of their provincial institution and said that such agreement and confidence among Co-operators in the constitution of their non-official organisation, will greatly strengthen his hands in approaching the Government and in recommending its demands for favourable consideration.

The following amendments were then passed :—

Amendments sent by Messrs. V. Ramadas Pantulu and S. K. Yegnanarayana Iyer.

1. Add the following as clause (*c*) to bye-law IV :—

   "(*c*) Membership in the Union shall cease :—

   (i) by the cancellation of any member-society ;

   (ii) by the member-society resolving to disaffiliate itself, provided that such resolution is duly communicated to the Union and is accepted by the Executive Committee.

   (iii) by failure to pay the annual contribution for a period of two years consecutively, unless the Executive Committee otherwise directs.

2. In bye-law VI, delete clause (2) and renumber clause (3) as clause (2).

3. In bye-law IX, delete the words "and societies contributing to the funds of the Union under bye-law VI."

4. For bye-law XII, substitute the following : -

   "Every member society shall appoint, by a resolution of its general body, or board of management, or executive committee, one of its members as its delegate to the Union for a period of two years. It shall be competent for a member society, if it so desires, to change its delegate within the said period, and the new delegate shall hold office for the unexpired period of the two years, for which the original delegate was appointed.

   Notwithstanding the expiry of the two years aforesaid, the delegate of a member society shall be deemed to hold office, until his successor is appointed; but, if such successor is not appointed within three months of the expiry of the two years aforesaid, the delegate shall cease to represent the society of the Union".

5. For bye-law XVI, substitute the following :—

   "The President, or in his absence, one of the Vice-Presidents, shall preside at the meetings of the Union, its Board of Management and its Executive Committee. In the absence of the President and both the Vice-Presidents, any other member may be elected by the meeting as Chairman thereof."

6. For bye-law XVIII (1) substitute the following : -

   "elect once in two years from among the members of the Union:-

   (*a*) the President ;

   (*b*) two Vice-Presidents ;

   (*c*) three Secretaries ;

and (*d*) the members of the Board of Management, as provided hereinunder.

7. For bye-laws XIX (*a*) and (*b*), substitute the following :—

"XIX. (a) The Board of Management shall have, subject to the supervision of the General Body, general control of the affairs of the Union."

"XIX. (*b*) The Board shall meet at least twice in a year and the quorum for a meeting of the Board shall be 12."

Add the following as bye-law XIX (c):

"XIX. (c) The Board shall settle the budget of the Union for each co-operative year"

8. For bye-law XX, substitute the following :—

"XX. (1) The Board of Management shall consist of :—

(*a*) the President;

(*b*) the two Vice-Presidents;

(*c*) the three Secretaries;

(*d*) the Treasurer;

(*e*) the Editor of the Madras Journal of Co-operation;

(*f*) the persons appointed by the Provincial Societies and Language Federations as their delegates to the General Body of the Union;

g) representatives elected by the other member societies as hereinunder provided :—

(i) Central Banks ...	8 representatives;—3 from Tamil districts, 3 from Telugu districts, 1 from Malabar and 1 from South Kanara.
(ii) Local Unions and District Federations where they exist—one delegate for each district.	
(iii) Urban Banks ...	2 representatives.
(iv) Limited Primary non-credit societies not falling under any of the other classes. ...	3 representatives.

(v) Primary Land Mortgage Banks.	2 representatives; 1 from the Tamil Districts and one from the Telugu Districts.
(vi) Training Institutes.	2 representatives, 1 from Tamil Districts and one from Telugu Districts.

(*h*) Three Honorary members who shall be co-opted by the other members of the Board, referred to in the foregoing clauses (a) to (g) at the first meeting of the Board.

XX. 2) (*a*) The election of the representatives of the first constituency, namely, Central Banks shall be elected at the meeting of the General Body of the Union, by the delegates of the said constituency attending such meeting.

(*b*) The district representatives of the second constituency, namely, Local Unions and District Federations, shall be elected in the district in accordance with the rules to be framed by the Executive Committee of the Madras Provincial Co-operative Union in this behalf from time to time.

(c) The representatives of the other four constituencies, namely. Urban Banks, Limited liability primary Non-credit Societies not falling under any of the other classes, Primary Land Mortgage Banks and Training Institutes, shall be elected by postal voting in accordance with the rules to be framed in this behalf by the Executive Committee.

(3) The Board of Management shall hold office for a period of two years or until their successors are elected.

(4) Interim vacancies on the Board of Management may be filled up by co-option by the remaining members of the Board from among the members of the General Body, having regard to the constituencies, in which such vacancies occur.

2. For bye-law XXI, substitute the following :—

"XXI (1) Subject to general control by the Board of Management, the administration of the affairs of the Union shall vest in an Executive Committee.

(2) The Executive Committee shall consist of 12 members, namely :—

(a) The President,
(b) The two Vice-Presidents,
(c) The three Secretaries,
When appointed. { (d) The Treasurer,
(e) The Editor of the Madras Journal of Co-operation, }
(f) One member elected by the Executive Committee of the Madras Provincial Co-operative Bank, Ltd.,
and (g) Three members elected by the Board of Management of the Union at its first meeting.

(3) The Executive Committee shall hold office for a period of two years or until their successors are elected.

(4) Interim vacancies on the Executive Committee may be filled up by co-option by the remaining members of the Committee from among the members of the Board of Management.

(5) The quorum for a meeting of the Executive Committee shall be 5.

(6) The Executive Committee may meet as often as the Business of the Union requires, but shall ordinarily meet once in a quarter. It may transact its business by circulation of papers in regard to matters which it may specify or which in the opinion of the President require urgent disposal.

10. For bye-law, XXIII, substitute the following :

"XXIII (1) The Executive Committee shall appoint a Treasurer for the Union and an Editor for the Madras Journal of Co-operation, for such periods, not exceeding two years at a time, as it may think fit. Persons, whose term of appointment expires, may be re-appointed from time to time.

(2) The Executive Committee may constitute such sub-committees as it may deem necessary for carrying on the work of the Union, define their functions and delegate any of its powers to them, reserving to itself the right of withdrawing or modifying those powers as it thinks fit.

(3) The Executive Committee shall have power to appoint and remove all *officers* of the Union other than those to be elected by the General Body under these bye-laws, and shall also have power to appoint, remove,

suspend or fine its *employees*, and to fix the terms of their appointment, their duties, salaries and allowances and to prescribe leave and provident fund rules.

(4) The Executive Committee shall have power to settle the accounts with the member-societies and subscribers to the journals published by the Union, and to collect or remit, partially or wholly, the sums due by them to the Union.

RURAL RECONSTRUCTION COMMITTEE.

11. For bye-law XXV, substitute the following :—

XXV. A Central Committee for the regulation of the working of the Rural Reconstruction Centres and of the Local Committees thereof, and to administer the Rural Reconstruction Funds, shall be constituted with the President of the Provincial Co-operative Union as an ex-officio member and Chairman thereof. One member may be appointed by the Executive Committee of the Provincial Co-operative Bank, Ltd. Each of the local committees in charge of the centres shall appoint one member. The Executive Committee of the Union shall appoint also a Secretary to the Committee, who shall be a member thereof by virtue of his office.

TRAINING INSTITUTES' COMMITTEE.

12. For bye-law XXVI, substitute the following :—

XXVI. (1) A Central Committee for the co-ordination of the working of the Training Institutes and to look after co-operative education in general shall be constituted, with the President of the Provincial Co-operative Union and the Registrar as ex-officio members thereof. Each of the Training Institutes shall appoint one representative to serve on the Committee. The Executive Committee of the Union shall appoint also a Secretary, who shall be a member thereof by virtue of his office. The Central Committee so constituted may co-opt two other members, as far as possible from the ranks of educationists, who are residents of the City of Madras.

(1) The Central Committee shall have power :—

(i) to administer the funds allotted for co-operative Training and Education ;

(ii) to appoint teachers and lecturers on the recommendation of the Institutes ;

(iii) to prescribe the courses and syllabuses of study, in consultation with the Institutes;

(iv) to appoint a Board to conduct examinations, to arrange for the valuation of papers and to issue certificates to successful candidates; and

(v) to discharge such other functions as may be necessary to promote co-operative education.

12. Delete bye-law No. XXX.

14. Renumber bye-law No. XXXI as bye-law No. XXX.

The Chairman announced that the Registrar who was present at the meeting had kindly registered the amendments then and there and that therefore the elections would take place in accordance with the amended bye-laws.

Amendments sent by Mr. G. Sriram Babu Naidu.

Add at the end of bye-law VI (*e*) the following:—

"and in case of Urban Banks the maximum shall be Rs. ten"

The amendment to bye-law No. VI (*e*) of which Mr. G. Sriram Babu Naidu had given notice was not pressed.

III. Resolutions.

The next item in the agenda was the consideration of the following resolutions due notice of which had been received in the office.

The Salem District Urban Bank Ltd., Salem.

Resolution No. 1.—"The Registrar of Co-operative Societies, Madras, be requested to amplify the existing form of monthly progress statement of realisation of dues in Liquidated Societies, to furnish more particulars regarding the number of loans outstanding in the Society with amounts, the number of awards passed and executed with amounts, the reasons or otherwise for not taking action in the remaining cases, as the existing form gives no information about the solvency or otherwise of Liquidated Societies.

Resolution No. 2.—The Registrar of Co-operative Societies, Madras, be requested to intruct the Official Liquidators to enforce Unlimited Liability at any time, when it is found that the properties of members other than these mortgaged are found to be alienated."

It was suggested by the Chair and accepted by the House that these resolutions be referred to the Registrar for favourable consideration.

Co-operative Urban Bank, Mayavaram.

Resolution No. 3.—"This General Body of the Madras Provincial Co-operative Union resolves that the withdrawal of concession to co-operative societies in the matter of grant of encumbrance certificates and registration of documents charging half the usual fee therefor is a serious setback to the advance of the co-operative movement in this province and request the Government to restore the old concession in full."

In the absence of a representative from the Mayavaram Urban Bank, the proposition was moved by Mr. Thiruvengada Mudaliar and seconded by Mr. Srinivasa Iyer, Vellore Co-operative Building Society, and was adopted.

The Ottapalam Co-operative Union.

Resolution No. 4.—"Resolved to request the Provincial Co-operative Union to recommend to all the Central Banks that Primary societies be granted loans upto the amount of Reserve Funds deposited by them in the Central Banks at a rate of interest which shall not be more than one per cent over the rate allowed on the said Reserve Fund deposits, as has been recommended by the Townsend Committee."

A suggestion was made from the chair that this proposition be referred to the Bankers' Conference. The suggestion was agreed to.

Mr. K. L. Narasimha Rao.

Resolution No. 5.—"This meeting resolves to appoint a small committee for the reconstitution of the Provincial Union on a better financial and more efficient basis".
(The names of the Committee to be settled at the General Body meeting).

The above resolution given notice of by Mr. K. L. Narasimha Rao was ruled out of order by the Chair on the ground that no Committee was competent to reconstitute the Union.

Resolution No. 6.—"It is resolved to have among the objects of the Provincial Union, to do audit, or arrange for audit of societies which are not audited free by Government."

Mr. K. L. Narasimha Rao who had given notice of the above resolution accepted the suggestion from the Chair that it may be considered along with item (5) of the agenda.

Resolution No. 7.—" It is resolved not to start new Rural Reconstruction centres on "half and half subsidiary basis," "If any of the old centres cease working for any reason, it is resolved to request the Madras Provincial Co-operative Bank to permit the diversion of that portion of the Rural Reconstruction Fund to the General Funds of the Provincial Co-operative Union."

This proposition was moved by Mr. K L. Narasimha Rao, but failed for want of a seconder.

Resolution No. 8.—" It is resolved to recons itute the office of the Provincial Co-operative Union by appointing a responsible paid Assistant Secretary, who will be in charge of the office and act as Assistant Editor to the Journal of Co-operation and by appointing in the first instance two paid propagandists for carrying on the work of the Provincial Co-operative Union.

The proposition was moved by Mr. K. L. Narasimha Rao and it was resolved to refer it to the Board.

Resolution Nos. 9, 10 & 11.—

9. " It is resolved that no member can be office-bearer of the Provincial Co-operative Union for more than two consecutive terms."
10. " It is resolved that no paid officer of any Co-operative institution can be on the Executive or Board of Management of the Provincial Co-operative Union."
11. " It is resolved that the President and Secretaries of the Provincal Co-operative Union shall be ordinarily residents of Madras."

Resolution Nos. 9 to 11 given notice of by Mr. K. L. Narasimha Rao were ruled out of order by the Chair.

IV. Election of Office Bearers, Honorary Members and Members to the Board of Management.

The next item in the agenda was the election Office bearers, Honorary members and members to the Board of Management.

(*a*) *Office Bearers.*—On the proposal of Mr. T. A. Ramalingam Chettiar, which was seconded by Mr. A. Rajabadar Mudaliar, Mr. V. Ramadas Pantulu was unanimously re-elected the President. Messrs. A. Ranganatha Mudaliar and T. A. Ramalingam Chettiar were elected as Vice-Presidents, and Messrs. V. Venkatasubbaiya, N. Satyanarayana and G. Srinivasaraghavachariar as Joint Secretaries.

(*b*) *Honorary Members.*—The following 12 gentlemen who were Honorary members till then were re-elected

1 Messrs. V. Venkatasubbaiya
2. V. C. Rangaswamy
3. N. Ramaswamy Iyer
4. K. C. Ramakrishnan
5. C. Gopala Menon
6. Rao Bahadur A. Vedachala Iyer
7. G. Ramachandra Rao
8. L. Dharmaraja Iyer
9. Sir T. Desikachariar
10. Dr. B. Pattabhiseetharamiah
11. A. Ranganatha Mudaliar
12. and Rao Bahadur M. K. Venkatachariyar.

The following 8 members were newly elected as Honorary members.

1. Sir K. V. Reddi
2. Messrs. K. V. Raghavachariar
3. Gulam Ahamad
4. Jayakaran
5. Daniel Thomas
6 G. Harisarvottama Rau
7. G. Dharma Rao
8. and P. V. Sundaravaradulu.

(*c*) *Board of Management.*—The representatives of the Central Banks met separately under the Chairmanship of M. R. Ry. Rao Bahadur T. A. Ramalingam Chettiar Avergal, and elected the following representatives to the Board of Management :—

Telugu Districts.—

1. Messrs. B. Venkataratnam
2. ,, C. Subba Rao
3. ,, D. Venkoba Rao

Tamil Districts.—

1. A. Rajabadar Mudaliar
2. A Sivananda Mudaliar
3. E. S. Sunda

Malabar.—

1. M R. Ry. Rao Sahib V. Krishna Menon

South Kanara.—

1. Mr. Srinivasa Kamath

V. Levy of Audit Fees.

The following resolutions which had been passed by the Central Banks' Conference held on 9-4-1932 were adopted:—

Resolutions passed by the Central Banks Conference held on 9-4-1932, on the question of the Audit Fees.

I. This Conference is of opinion that the audit of all unlimited liability agricultural credit societies should be done free of charge by the Government.

II. This Conference is of opinion that limited liability credit societies with a working capital of less than Rs. 20,000 - should also be similarly audited free of charge.

III. This Conference is of opinion that all Central Banks and limited liability credit societies with a working capital of Rs. 20,000 - and upwards should be brought under a scheme of audit conducted on the following lines, through the agency of the M. P. C. B: -

i. Grouping Districts

	No of Central Banks in each group.	Remarks.
1. Ganjam and Vizagapatam ...	3	
2. E. Godavari ...	4	
3. W. Godavari and Krishna ...	3	
4. Guntur and Nellore ...	2	Number of Limited Liability Credit Societies is about 125. District war distribution is not now available.
5. Anantapur, Kurnool and Bellary	3	
6. Cuddapah, Chittor and Vellore	3	
7. Salem and Coimbatore ...	2	
8. South Canara and Malabar ...	2	
9. Chingleput and South Arcot ...	2	
10. Tanjore and Trichinopoly ...	3	
11. Madura and Tinnevelly ...	3	
12. Madras, Christian and Provincial Bank ...	3	

ii. Pay of Auditors.

Rs. 80-7 1-150 plus Rs. 50 -, fixed travelling allowance per mensem.

Selection grade 10 per cent Rs. 150 --200.

iii. Scale of Contribution.

Central Banks with a working capital of Rs.	5 to 10 lacs	Rs.	500	annually.
Do.	,, 10 to 30	,,	700	Do.
Do.	,, 20 to 30	,,	900	Do
Do.	,, over 30	,,	1000	Do

For limited liability credit societies Rs. 100 to Rs. 200 according to the size of the working capital up to Rs. 1,00,000 over 1 lac Rs. 75 a lac.

IV. Head office expenses Rs. 250 per mensem or Rs. 3,000 annually. These contributions are put down tentatively. They may have to be revised if the revenue is insufficient to meet the expenditure.

VI. Revised Budget for 1931-32 and Budget estimate for 1932-33.

Revised Budget for 1931-32 was approved. Consideration of the budget estimate for 1932-33 was referred to the Board of Management which is to meet in July 1932.

The meeting then terminated.

V. RAMADAS,
President.

ACTION TAKEN ON THE RESOLUTIONS PASSED AT THE GENERAL BODY MEETING OF THE P. C. U.

Held on 10th April 1932.

The General Body of the Madras Provincial Co-operative Union at their meeting of the 10th April 1932 considered four resolutions, of which one was sent up by the Mayavaram Urban Bank, one by the Ottapalam Co-operative Union and two others by the Salem District Urban Bank. The resolution sent by the Mayavaram Urban Bank* was adopted and it was communicated to the Registrar for necessary action. As regards the resolution from the Ottapalam Co-operative Union† the General Body resolved to refer it to the Bankers' Conference and the Provincial Co-operative Union has accordingly communicated the same to the Madras Provincial Co-operative Bank for necessary action.

In the matter of the following two resolutions sent up by the Salem District Urban Bank the General Body resolved to refer them to the Registrar. Accordingly in its letter No. R. C. 74/31-32 dated 16th April 1932, the Provincial Co-operative Union communicated the resolutions to the Registrar of Co-operative Societies for necessary action.

> "The Registrar of Co-operative Societies, Madras, be requested to amplify the existing form of monthly progress statement of realisation of dues in liquidated societies, to furnish more particulars regarding the number of loans outstanding in the society with amounts, the number of awards passed and executed with amounts, the reasons or otherwise for not taking action in the remaining cases, as the existing form gives no information about the solvency or otherwise of liquidated societies."

> "The Registrar of Co-operative Societies, Madras, be requested to instruct the official Liquidators to enforce Unlimited Liability at any time, when it is found that the properties of members other than those mortgaged are found to be alienated."

With reference to the above communication the Registrar has sent us the following reply in his letter No. F. 2231/32, dated 27th April 1932 :—

> "It is not practicable to give effect to the first resolution in view of the growing volume of liquidation work. A large number of societies are being liquidated every month. If the details required by you are to be furnished every month for all the societies under liquidation, it will entail a good deal of additional work on the staff of the Deputy Registrars' Offices."

> "I am agreeable to the suggestion contained in resolution 2 and am asking my Deputy Registrars to carry it out."‡

*† Vide page 589 of this issue for these resolutions.

‡ Vide page 595 for the Registrar's Circular in the subject.

G. Os. and Circulars.

No. D. Dis. B. 1983/32.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES,
Madras, dated 23rd April 1932.

D. N. STRATHIE ESQ., I.C.S.,
Registrar.

CIRCULAR.

SUBJECT.—Training Institutes—Employment of passed candidates.

A large number of persons pass out every year from the several Co-operative Training Institutes and the Government Institute of Commerce, Madras. There are few who undergo the training with any other purpose than to secure employment either in the Department or under non-official Co-operative organisations. The training has already been prescribed as a necessary qualification for Government service. It is usually insisted upon also by non-official organisations. Instances have however come to light in which untrained men have been appointed. The employment of untrained men will not only be detrimental to efficiency but will in addition cause discontent among those who are trained and endanger the future of the institutes. In the interests of the Training Institutes and of the movement it is therefore essential that all Co-operative Institutions should employ only those who have been trained at the institutes. The Registrar requests therefore that all Central Banks, Federations, Unions, Urban Banks and all other Co-operative organisations should recruit only trained persons in future.

(By Order),

A. CUNNIAH,
Manager.
26—4—32.

To all Central Banks, Federations, Unions, Urban Banks, and Limited Liability Societies.

Copy to all Deputy Registrars and Sub-Deputy Registrars, and Superintendents of Training Institutes.

" the Editor, Madras Journal of Co-operation.

" Tamil Nadu Federation.

" Andhra Sahakara Sammelanam.

No. F. 2231/32.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES.
Madras, dated 2nd May 1932.

D. N. STRATHIE ESQ., I.C.S.,
Registrar.

CIRCULAR.

Subject.—Liability—Unlimited liability enforcement in liquidated Societies.

At a general meeting of the Provincial Co-operative Union held on 10th April 1932, the following resolution was passed.

"The Registrar of Co-operative Societies, Madras, be requested to instruct the official liquidators to enforce unlimited liability at any time, when it is found that the properties of members other than those mortgaged are found to be alienated."

The Registrar has accepted the suggestion. It is open to liquidators to enforce unlimited liability at any stage of liquidation and they should take prompt action whenever there is any likelihood of the members alienating their properties.

(By Order.)

A. CUNNIAH,
Manager.
4-5-32.

To all the Deputy Registrars and Sub-Deputy Registrars in independent charge.

Copy to District Labour Officers through the Commissioner of Labour (with spare copies).

" Superintendent, Kallar Reclamation, Tanjore and Madura.

" " Training Institutes and Lecturer, Institute of Commerce.

" Editor, Journal of Co-operation.

" " Kooturavu.

" " Co-operator.

GOVERNMENT OF MADRAS.

Received.................1932. *Registered.................1932.*

ABSTRACT.—*Co-operative Societies*—Land Mortgage Banks—Registration fees—Exemption—Sanctioned for three years.

DEVELOPMENT DEPARTMENT.

G.O. No. 579, Mis., dated the 27th April 1932.

Read the following :—

G.O. No. 1484, Development, dated 10th October 1931.

From the President, Madras Co-operative C.L.M. Bank, Limited, No. 82/36, dated the 4th November 1931.

From the Registrar of Co-operative Societies, B. No. 5815 31, dated 7th November 1931.

Memorandum to the Inspector-General of Registration, No. 7906 C-2, dated 3rd December 1931.

From the Inspector-General of Registration, No. 1115 31, dated 29th February 1932.

From the President, Madras P.C.U., dated 19th January 1932.

From the Registrar of Co-operative Societies, No. B-1 5815 31, dated 4th March 1932.

ORDER.

In partial modification of G.O. No. 1484, Development, dated 10th October 1931, the Government are pleased to exempt for a period of three years the Central and Primary Land Mortgage Banks from the payment of fees for the registration of documents and the obtaining of encumbrance certificates.

2. The following notification will be published in the *Fort St. George Gazette* :—

Notification.—In exercise of the powers conferred by clause (*b*) of sub-section (2) of section 28 of the Co-operative Societies Act, 1912 (Act II of 1912) and in partial modification of Development Department's Notification No. 358, dated 10th October 1931 published at page 1371 of Part I of the *Fort St. George Gazette*, dated 20th October 1931, the Governor acting with Ministers is hereby pleased to remit in full for a period of three years from the date of this notification all fees payable under the law of registration for the time being in force—

(*a*) by or on behalf of any Central or Primary Land Mortgage Bank for the time being registered or deemed to be registered under the said Act, or

(*b*) in respect of any instrument executed by any officer or member of any Central or Primary Land Mortgage Bank and relating to the business thereof.

(By Order of the Government, Ministry of Public Works)

S. H. SLATER,
Secretary to Government.

To the Registrar of Co-operative Societies.
- „ Inspector-General of Registration (through (Law Registration) Department).
- „ Law (Registration) Department.
- „ Accountant-General, through Finance.
- „ Finance Department.
- „ President, C. L. M., Bank.
- „ President, Madras Presidency Co-operative Union.
- „ Superintendent, Government Press, (for publication of Notification.)

THE SOUTH INDIA CO-OPERATIVE INSURANCE SOCIETY LTD.

Esplanade, Madras.

The following statement will give our readers an idea of the progress which the Society has achieved within the short period of less than two months from the date of commencing business.

The society is the only one of its kind in South India and we hope that co-operators and co-operative institutions would continue to render the same encouragement and financial assistance to the Society as hitherto.

It is further hoped that the public in general and co-operators in particular will avail themselves of the advantages of insuring with this Society which combines in itself the virtues of Life Insurance and Co-operation.

1. Date of Registration.	...	6th January 1932.
2. Date of formal opening	...	29th January, 1932.
3. Date of actual starting of work	...	15th February, 1932.
4. Date of making statutory initial Deposit of G. P. notes for Rs. 25,000 with the Controller of Currency	...	4th March, 1932.
5. Date of the commencement of business, that is, acceptance of the first policy	...	15th March, 1932.
6. The holder of Policy No. 1	...	Prof. K. B. Madhava, M.A., A.I.A., our own Actuary.
7. Authorised Share Capittal	...	Rs. 10 lakhs.
		(As on the last day of April 1932.)
*8. Paid up Share Capital	...	Rs. 30,089.
9. Number of Proposals accepted.	...	110.
10. Amount of these proposals	...	Rs. 1,32,000.

11. Branches Constituted at :—

1. Adoni
2. Alamuru.
3. Bellary
4. Berhampur
5. Bhimavaram.
6. Coimbatore.
7. Conjeevaram.
8. Cuddapah.
9. Guntur.
10. Hospet.
11. Krishnagiri.
12. Madura.
13. Mangalore.
14. Nellore.
15. Rajahmundry.
16. Ramachandrapuram.
17. Sivaganga.
18. Tanjore.
19. Vizianagaram.

N. B.—All these branches are managed by experienced and influential co-operators.

*Vide next page for the names of the Shareholders

Names of Share-holders.

Serial No.	Names of Share-holders who have paid up a share capital of Rs. 1000 and above.		Shares paid up. Rs.
1.	The Madras Provincial Co-operative Bank Ltd.	...	15,000
2.	Co-operative Central Bank, Conjeevaram	...	1.000
3.	Coimbatore District Urban Bank	...	1,000
4.	Cuddapah District Co-operative Central Bank	...	1,000
5.	Ganjam District Co-operative Banking Union, Berhampur	...	1,000
6.	Guntur District Co-operative Bank, Ltd.	...	1,000
7.	Hospet Co-operative Central Bank Ltd.	...	1,000
8.	Madras District Co-operative Central Bank, Ltd.	...	1,000
9.	Madura-Ramnad Central Co-operative Bank, Ltd.	...	1,000
10.	Nellore Dt. Co-operative Banking Union Ltd.	...	1,000
11.	Rajahmundry Central Co-operative Bank, Ltd.	...	1,000
12.	Ramachandrapuram Central Bank Ltd.	...	1,000
13.	The Co-operative Central Bank, Ltd., Tanjore	...	1,000
14.	The Co-operative Central Bank Ltd,, Vizianagaram	..	1,000
15.	Alamuru Land Mortgage Bank, Alamuru	...	1,000
16.	Sivaganga Urban Bank (Ramnad Dt.) (In part payment of Rs. 1,000 subscribed for)	...	500
17.	Institutions who have subscribed for shares of less than Rs. 500 ...	...	420
	By Individuals ...	...	169
	Total	...	30,089

Magic Lantern and Slides.

PREPARED BY THE

Madras Provincial Co-operative Union,

ROYAPETTAH, MADRAS.

Magic Lantern. This is a Swadeshi article, very suitable for Village Propaganda and quite cheap. It is worked by a Baby Petromax light, which, unlike carbide light, can be used for other purposes as well The mechanism of the Lantern is very simple. Running cost very little, less than one anna per lecture. **Price of the Lantern Rs. 45 only.**

SLIDES.

The Provincial Co-operative Union has prepared so far three sets of slides for co-operative propaganda.

I. The Evils of Drink and Benefits of Co-operation. This set of 33 slides depicts a very interesting and edifying story of village life. **Price Uncoloured Rs. 35; Coloured Rs. 50**

II. Thrift and Co-operation. An urban story. It shows how an educated man in Madras got into trouble owing to his thriftless ways and how he was saved by a Co-operator. 40 slides. **Price Uncoloured Rs 40; Coloured Rs. 60.**

III. Rural Reconstruction in Alamuru These slides illustrate the activities of the Rural Reconstruction Centre at Alamuru and the various benefits conferred on the people by Co-operative Societies and Village Panchayats Educative and Inspiring. 62 slides. **Price Uncoloured Rs. 62. Coloured Rs. 95**

SUPPLEMENT TO THIS ISSUE

REPORT ON THE WORKING

OF

The Madras Provincial Co-operative Union.

For the period from 1st June 1931 to 31st March 1932.

The Report on the working of the Union upto the 31st May 1931 was presented to the General Body at its meeting held on the 21st June 1931. The present report covers the period from 1st June 1931 to 31st March 1932. During this period, the General Body met once, *i. e.*, on the 21st June 1931, and adopted the last Administration Report.

The constitution for the Conference, a draft of which had been published in the *Madras Journal of Co-operation* for February 1931, was discussed; and the General Body approved the draft with the modification suggested by the Board of Management, that it was not necessary to create a new *ad hoc* body to be put in charge of the Conference, but that the Executive Committee of the P.C.U. might be in charge of it. The General Body authorised the Executive Committee also to take prompt steps to organise a Provincial Co-operative Insurance Society.

CONSTITUTION.

The number of society members rose from 439 on 31st May 1931 to 442 on 31st March 1932. Together with the 20 Honorary Members, the total number of members on 31st March 1932 was 462. The number of the different classes of members is given below:—

			As on 31-5-31.	As on 31-3-32.
1.	Provincial Societies	...	5	6
2.	Language Federations	...	1	1
3.	Central Banks	...	30	31
4.	District Federations	...	12	10
5.	Supervising Unions	...	265	265
6.	Audit Unions	...	4	4
7.	Non-Credit Societies	...	44	45
8.	Urban Banks	...	71	72
9.	Primary Land Mortgage Banks		1	2
10.	Training Institutes	...	6	6
11.	Honorary Members	...	20	20
			459	462

THE BOARD OF MANAGEMENT.

The Board of Management met twice during the period under report. On the 19th June 1931, it met jointly with the Board of Management of the Provincial Co-operative Bank and considered the Co-operative Societies Bill. Amendments to some of the clauses of the Bill were suggested at the meeting and the Board appointed a Committee to draw up amendments to the Bill as a whole on the lines laid down by the Board and to send them to the Select Committee on the Bill. On 20-6-1931 the Board again met and passed the budget of the Union for 1931-32.

THE EXECUTIVE COMMITTEE.

During the period under review, the Executive Committee met thrice, i. e., on 21-6-1931, 19-9-31 and 13-12-31. The proceedings of these meetings were communicated to the members of the Board of Management.

ACTIVITIES.

The chief activities of the Union during the year under report were :—

PUBLICATION OF THE MADRAS JOURNAL OF CO-OPERATION.

The Editorial Committee was in charge of the publication of the *Journal* with Mr. S. K. Yegnanarayana Iyer as the Editor. The general financial stringency affected the *Journal* to some extent, as the Government reduced the number of copies they were taking through the Co-operative, Labour and Agricultural Departments by about 250. It continues to be popular and its foreign subscribers are on the increase.

PUBLICATION OF THE VILLAGE PANCHAYAT.

The "Village Panchayat Journal" continued to be issued in three languages, namely, English, Tamil and Telugu. As anticipated in last year's report, it proved far from self-supporting. At their meeting held on 19-9-'31, the Executive Committee resolved that the publication of "Village Panchayat" be continued till the end of June 1932 and that in the meantime it be ascertained whether the Language Federations or other suitable bodies would take over the vernacular editions. Accordingly our President wrote to the Tamil Nadu Co-operative Federation enquiring whether it would take over the publication of the Tamil edition of the "Village Panchayat." But owing to financial considerations, the Tamil Nadu Federation has not found it possible to agree to the proposal. Due to the economic depression the

number of subscribers for the three editions fell from 729 to 420 and it was thought that it would be difficult to continue to pay the Editor the honorarium of Rs. 100 per mensem, and Mr. G. Harisarvottama Rao was therefore informed by the President that from the 15th March onwards the P. C. U. would not be in a position to retain his services. Mr. V. Venkatasubbaiya, one of the Joint Secretaries, has kindly agreed to be the Editor of the Journal on an honorary basis till the end of June next.

OTHER PUBLICATIONS.

A consolidated report on the working of the Rural Reconstruction Centres from their inception to the end of June 1931 was published in January 1932.

LIBRARY AND READING ROOM.

A sum of Rs. 364-2-0 was spent on the purchase of books for the library and periodicals for the reading room. A new catalogue of books has been prepared, but it is proposed to print it only after the close of the current co-operative year. Improvements to the structure of the reading room have been made at a cost of about Rs. 200 and it is proposed to place select books on Co-operation and allied subjects in the reading room for the convenience of the public. A pleasing event connected with the reading room was the celebration of the "Visitors' Day". It was arranged spontaneously and wholly by the visitors, who invited the President and other office-bearers to the function and expressed to them in suitable terms their appreciation of the facilities afforded by the P. C. U. in the variety of newspapers and magazines and in other respects.

THE ANNUAL PROVINCIAL CO-OPERATIVE CONFERENCE.

The XIXth Madras Provincial Co-operative Conference was held at the P. S. High School on the 20th and 21st June 1931 under the presidentship of M.R.Ry. Rao Bahadur T. A. Ramalingam Chettiar Avl., B.A., B.L., M.L.C., It was as usual well attended and there were fraternal delegates from Bengal, Mysore and Cochin. A full report of its proceedings was published in the *Madras Journal of Co-operation* for July 1931. The chief subject for discussion was the Co-operative Societies Bill. The Conference suggested some amendments to the Bill and appointed a Committee to continue the work on the lines adopted at the Conference. The Committee met early in July and set to work. The report of the Committee and the amendments suggested by it were printed and made available to th were arranged every evening We are glad to report that the booth was awarded a gold medal by the Judges.

TRAINING INSTITUTES.

The Central Committee of the Co-operative Institutes which met on 21-6-1931 resolved to request the Government not to hold the Examination in Co operation and expressed the view that a common examination should be conducted by the Provincial Co-operative Union. The Government and the Registrar were addressed on the subject accordingly. The Government did not agree to the proposals. But the Registrar was agreeable to the Provincial Co-operative Union holding an examination in place of the one he was previously holding. The Central Committee which met on 13-12-'31 appointed a Board to be in charge of the examination and the Board has made arrangements to hold it in this month.

SLIDES.

During the period under report a new set of slides, the third in our series, was prepared This set illustrates the work of Rural Reconstruction carried on at Alamuru. It consists of 62 slides which may conveniently be divided into three sections. The first section consists of 22 slides and shows the different ways in which the co-operative societies are benefiting the people of the area. The second, consisting of 23 slides, illustrates the work of Village Panchayats, such as the digging and cleaning of tanks, the metalling of roads, the provision of latrines, the maintenance of libraries, reading rooms etc. The third section, consisting of 17 slides, illustrates the work of the Physical Instructor, prohibition propaganda, arbitration, bhajana, spinning and other activities carried on at the centre. It is hoped that this set, though rather long, will be found useful for co-operative propaganda like the other sets, and will be helpful in turning the attention of the public towards constructive work in the villages.

OUR MAGIC LANTERN.

During the period under report we were able to construct a magic lantern which, in addition to being a Swadeshi article, is cheap and specially suitable for village propaganda. It is the invention of one Mr. Babu Rao, an elementary school teacher of Puttur in South Canara, who kindly came over here, stayed two months and made for us 10 lanterns. They were intended primarily for our Rural Reconstruction centres, but we have subsequently made a few more and are supplying them to other propagandist institutions. The

various advantages which our lantern possesses over the ordinary magic lantern are briefly set forth in a letter addressed recently to co-operative institutions in our province and it is reproduced as an appendix to this report (Appendix-A). The lantern and the slides on Rural Reconstruction were inspected by M. R. Ry. Rai Bahadur N. Gopalaswamy Iyengar when he was Inspector of Local Boards. His opinion also is incorporated in the latter given in Appendix A. Our thanks are due to him for having recommended our lantern and slides to several important local bodies and Honorary Organisers of Panchayats.

RURAL RECONSTRUCTION.

During the year under report only 7 out of the 8 centres were in working order. The work at Tirupachanur in South Arcot District could not go on owing to the unwillingness or inability of the Central Bank to support the centre. The local Rural Reconstruction Committee expressed its inability to find funds from other sources for the continuance of the work. But during the recent visit of our President to the Annamalai University, the students and the staff of its Economic section expressed a desire to undertake rural uplift work as an adjunct to their study. No formal proposal has yet been received, but if it should come the Central Rural Reconstruction Committee of the P. C. U. will consider the question of shifting the centre from Tirupachanur to Chidambaram. Otherwise another centre may be opened in some other Southern district in the place of the one at Tirupachanur. The centre proposed to be started in Guntur District has not yet been opened. While in the past the delay was due to the prevailing political condition, it is at present due to the state of the finances of the Central Bank and its management being fully occupied with its own problems. The Central Rural Reconstruction Committee of this Union naturally wants to be assured that if a centre is started in the district, there is a reasonable chance of its being financed and worked for at least a few years.

The financial stringency through which the country is passing has affected the majority of the centres. Only the Central Banks of Nellore, Salem and Anantapur made full contribution for the support of the centres in their districts. The Central Banks at Hospet in Bellary District and at Srivilliputtur in Ramanad District were unable to contribute anything for the support of the centres within their jurisdiction. The Ramachandrapuram Central Bank, which supported the Alamuru Centre for three years, has now withdrawn its support and the Krishna District Bank at Masulipatam has reduced its contribution for the maintenance of the Gudlavalleru Centre. The local committees of these centres, however, have undertaken to raise the necessary funds from other sources, and the centres are being run with the help of the previous balances and funds so raised. In the changing circumstances of the Central Banks, the Rural Reconstruction Committee of this Union has had to relax the rules originally framed and may have to further modify them.

A consolidated report of the centres from their inception to the end of June 1931 was published in January 1932 and copies of it were sent to the Directors of the Provincial Bank, to the District Banks concerned, the members of the Local Rural Reconstruction Committees and some others. The working of the centres is going on more or less on the same lines as in the previous years, and there is not much of importance to be added to what is contained in the report. But it must be stated that the promulgation and the working of the Ordinances has to some extent hampered the work of the centres. The Maharajapuram centre in the Ramnad District has lost the services of two prominent Local Committee members, Messrs. G. Alagiriswamy Naidu and P. S. Kumaraswamy Raja; while the supervisors are generally receiving attention at the hands of the police on account of their previous earnest propaganda in the promotion of prohibition. The holding of meetings for general propaganda has also been rendered difficult in almost all the centres.

The supervisors are helping the district banks in all the centres in the collection of dues from co-operative societies, but in some centres the collections are not very satisfactory owing to the economic depression or the failure of rains. The supervisor at Maharajapuram is assisting the Land Mortgage Bank at Watrap in various ways. The supervisors everywhere are giving their utmost help to the Panchayats that are working in their areas, many of which were organised with their assistance. Owing to the financial stringency, the estimates sent up by some centres have only been partially sanctioned. Participation in and encouragement of Bhajana, circulation of books and newspapers, as steps in adult education are being attended to in every centre. Spinning continued to receive attention, but owing to the recent fall in the price of khaddar, there has been some set back in it. The Supervisors kept themselves in touch with the teachers and tried to interest them in rural welfare work. They also persuaded parents in many cases to send their children to school and keep them there for ıfficiently long time. Mr. A. Ranganatha Mudaliar, M.L.C., our

ce-President, has himself taken up residence in the Rural Reconuction centre in Bellary District and is promoting its work rsonally. Recently an improved method of making jaggery was :roduced in the centre as an experiment. At Indukurpet steps are ing taken to form a settlement of Yenadhis who are a very .ckyard tribe there. At Elur, which has unfortunately been :prived of the guidance it used to receive from M. R. Ry. Diwan ahadur R. Ramachandra Rao Avl., C. S. I., a Committee consting of the President and Vice-President of the Salem District 'rban Bank and Mr. Audinarayana Chettiyar, is supervising the 'ork of the centre. The Alamuru Centre conducted a training class or the benefit of the country midwives who were trained in modern iethods by a competent and experienced medical practitioner of tamachandrapuram. A large number of photos illustrative of the vork carried on in the centre were taken for making a set of slides. The Maharajapuram centre has arranged to get a breeding bull hrough the Agricultural Department.

From July 1931 to the end of December 1931 the services of he Physical Instructor were placed at the disposal of the Ramadas Co-operative Training Institute which conducted a Rural Training Class during that period. This class was opened by Mr. V. Ramadas Pantulu and a special grant of Rs. 1,000 was given to it from the Rural Reconstruction Fund with the permission of the Provincial Bank. Mr. Sanivarapu Subba Rao, a member of the Central Rural Reconstruction Committee, was the Secretary of the Training Class and made it a good success. After his services at Rajahamundry were over, the Physical Instructor was transferred to the Indukurpet Centre in Nellore District and he is now working there.

All the centres have recently been supplied with a magic lantern constructed by the Provincial Co-operative Union and a set of slides prepared by it.

During the year Mr. V. Venkatasubbaiya visited all the centres except Gudlavalleru which has visited by Mr. V. Ramadas Pantulu.

GENERAL.

A sum of Rs. 14,496-12-8 was actually received during the period from July 1931 to March 1932, by way of annual contributions from members, subscriptions, advertisements fees etc., for the journals. The total expenditure incurred on the publication of the journals and on establishment, propaganda, city classes etc., amounted to Rs. 13,269-12-9. The "Village Panchayat", however, worked at a loss, the income from and expenditure on it being Rs. 1,247-11-0 and Rs. 2,760-13-9 respectively. In addition to the figures given above, a sum of Rs. 2,270-10-0 was incurred on the preparation of slides and a sum of Rs. 1,753-7-0 has so far been realised by their sale. The Union further spent a sum of Rs. 360-10-9 on the manufacture of magic lanterns and realised Rs. 360-0-0 by their sale. The sale price of the slides in stock is Rs. 795. Of the lanterns manufactured, the value of stock on hand is Rs. 225 at their sale price.

A sum of Rs. 3,651-12-0 stands overdue on 31-3-'32 from co-operative societies, being the subscriptions for Tamil and Telugu Bulletins supplied to them prior to 30-6-1923. During the year under report the Deputy Registrars of the Districts concerned were approached in this behalf. They took much interest in collecting these long standing arrears and circularised the societies to pay off their dues promptly. While thanking them most heartily for stimulating these collections, we request them to extend their co-operation further and to see that these outstandings are fully paid up before the end of the current co-operative year.

We are sorry to inform the General Body that the arrears in annual contributions due from members are causing us not a little anxiety. Some of our members have turned a deaf ear to the numerous reminders sent from this office. We earnestly appeal to them on this occasion to clear up their dues before the close of the current co-operative year.

Among the distinguished persons who visited this Union during the year under report mention should be made of Mr. V. S. Subramania Iyer, who was then the Diwan of Travancore and of Mr. Jamnadas Mehta, Labour leader of Bombay who had come here in connection with the Railway Enquiry Committee. Both these gentlemen are deeply interested in the co-operative movement and were keen on informing themselves regarding the progress of the movement in our province.

OUR THANKS.

We tender our most grateful thanks to the Provincial Co-operative Bank for its continued generous grant of Rs. 6,000 a year, in addition to grants for special purposes like the maintenance of the Rural Reconstruction centres. But for its unstinted support, our activities in various directions would have been very much curtailed.

Our thanks are also due to Mr. D. N. Strathie, Registrar of Co-operative Societies, for his kind interest and hearty co-operation in all our work; and to the authorities of the P. S. High School for permitting our Provincial Conference to be held there and for giving us every facility therefor. We are also thankful to the C. C. P. Works for its unfailing readiness in executing our work which is sometimes crowded into a short time, naturally causing inconvenience to the management of the press.

V. VENKATASUBBAIYA,
G. SRIRAM BABU NAIDU,
N. SATYANARAYANA,
Hon. Joint Secretaries.

7th April 1932.

APPENDIX (A)

THE MADRAS PROVINCIAL CO-OPERATIVE UNION.

ROYAPETTAH, MADRAS,

29th Ma ch 1932.

To

The Secretaries of all

Co-operative Institutions.

Dear Sir,

I beg to bring to your notice that the Madras Provincial Co-operative Union has constructed a magic lantern which should prove very convenient for the use of co-operative societies. It was constructed primarily for the use of the Rural Reconstruction centres run by this Union and it has been found very satisfactory. We are therefore anxious to bring it to the notice of all public institutions which may desire to do educative work through the magic lantern.

This lantern is very simple in construction and can be handled by any one. It is very light and can be easily carried from place to place. It is worked, not by carbide or electricity, but by a petromax light. The chief advantages of this lantern over the ordinary magic lanterns are:—

1. It is very cheap and within the means of even small co-operative societies. It costs only Rs. 45 without the petromax light, while the ordinary magic lanterns range from Rs. 100 to Rs. 300.
2. It is a Swadeshi article, made by workmen of Madras.
3. It keeps cooler than other lanterns and therefore there is no risk of the condenser breaking.
4. The lantern burns very steadily. The carbide lights often give trouble and fail.
5. Working expenses are very low. Half a bottle of kerosene oil will last three or four hours in a petromax light. The cost per lecture lasting for one hour will not exceed half an anna, but where carbide is used about 8 annas may be required for a similar lecture.
6. The petromax light is useful for all purposes and not only for working the magic lantern. As a matter of fact, meetings in villages cannot be held without the help of a petromax light. It has just to be put in the magic lantern for the lecture and can be used for other purposes at other times. The carbide light cannot be used for any other purpose than working the magic lantern.

The Provincial Co-operative Union is not a commercial concern, but has only service as its object. It does not therefore seek any profit to itself by the sale of these magic lanterns. It does not keep them in stock but will be very glad to make and supply them to any public or private institutions that may need them for useful propaganda.

This Union has also prepared three sets of magic lantern slides. Two of them are stories, one relating to rural life and the other to urban life. Both of them inculcate thrift and right living. They have been found to interest and impress audiences. The third set deals with the Rural Reconstruction work that is being carried on under the supervision of this Union at Alamuru in East Godavari District. 22 slides in this set illustrate the working of the Co-operative Society at Alamuru, showing particularly the different classes of people that are benefited by its operations. 23 slides illustrate the different kinds of work undertaken by the Panchayats in Alamuru area. Seventeen slides illustrate other activities, such as physical culture temperance propaganda, arbitration etc. It is humbly suggested that these slides will be very useful for co-operative propaganda.

The lantern and the slides on Rural Reconstruction were inspected recently by M. R. Ry. Rai Bahadur N. Gopalaswamy Aiyangar Avl., B.A.B.L., when he was Inspector of Local Boards. His opinion is appended below.*

You are requested to kindly intimate your requirements to the undersigned.

Yours Sincerely,

V. VENKATASUBBAIYA,

Hon. Joint Secretary.

COPY OF OPINION OF THE INSPECTOR OF LOCAL BOARDS AFTER SEEING THE LANTERN AT WORK.

I have seen the lantern at work and have no doubt that, along with the slides on rural reconstruction, it is a very desirable equipment for those who have to do propaganda and educative work among Panchayats and in villages for the formation of Panchayats. I should recommend the purchase of the lantern and slides,

(1) By district Boards for the use of the District Panchayat Organiser and District Health Officer,

(2) By Taluk Boards and Panchayat associations and committees for the use of Chief Honorary Organisers and Honorary Organisers,

(3) By Panchayats which can afford it as an adjunct to their libraries and reading rooms for purpose of audit education and amusement.

The Lantern is cheap. The cost of working it is very small. Its parts are so simple that every village can find men competent enough to take care of it and work. The pictures produced by it are nearly as good as those produced by lanterns which in the market sell for 4 and 5 times its price.

(Sd) N. GOPALASWAMY,
Inspector.

C. C. P. WORKS, MADRAS—4-32/1000.

AUDIT REVIEW

BY

M. R. Ry. S. M. Shah Sahib Bahadur, B.A.,
Sub-Deputy Registrar of Co-operative Societies, Madras.

On the accounts of

The Madras Provincial Co-operative Union, No. 1130.

For the year ending 30th June 1931.

The accounts of the Madras Provincial Co-operative Union for the year ending 30th June 1931, as audited by M.R.Ry. R. Srinivasagopalan, Inspector of Co-operative Societies, are approved. The statements of (1) receipts and charges and (2) assets and liabilities as submitted by him are appended to this review.

2. *Membership*:—The number of members under each class, both at the commencement and at the end of the year are noted below:—

CLASS.		ON 30-6-1930.	ON 30-6-1931.
Provincial Societies	...	5	5
Language Federation	...	1	1
Training Institutes	...	4	6
Central Banks	...	29	30
District Federations	...	22	15
Supervising Unions	...	264	264
Audit Unions	...	4	4
Non-credit Societies	...	42	43
Non-agricultural Primary Societies	...	71	71
Primary Land Mortgage Banks	...	...	1
Total	...	442	440

3. *D. C. B. of annual contributions*:—Out of a demand of Rs. 5,668 including arrears of previous years, a sum of Rs. 2,710-14-0 was collected, leaving a balance of Rs. 2,957-2-0 at the end of the year. A statement of this is appended.

It appears that some of the affiliated societies, the registration of which was cancelled, are yet on the rolls. The Union is requested to remove those societies from the rolls. The Union is also requested to collect the arrears under this head at an early date.

4. *Publication of Journals* :—In addition to the publication of the monthly Madras Journal of Co-operation, the Union undertook the publication, during the year under review, of the "Village Panchayat" Journal in three languages, namely, English, Tamil and Telugu, from October 1930. The Union got a surplus of Rs. 776-6-10 in the publication of the co-operative journal, while it sustained a loss of Rs. 1,754-8-3 in the Village Panchayat. Statements showing the financial particulars of the two journals are attached to this review.

5. *Meetings* :—During the year under review, one general body, two Board of Management and two Executive Committee meetings were held.

The Board meeting held on the 19th June 1931 was in a joint session with the Board of Management of the Provincial Bank, at which the new Co-operative Societies' Bill was discussed. The second meeting of the Board held on the next day considered the budget of the Union for the year 1931-32 and resolved to continue the publication of the Village Panchayat Journal.

6. *Sub-Committees and their activities* :—There were six subcommittees working during the year, namely, (i) the Editorial Committees, one for each of the two journals, the Co-operative Journal and the Village Panchayat Journal; (ii) the Educational Committee, which was in charge of the City Panchayatdars' classes; (iii) the Non-credit Committee, the members of which toured in different parts of the presidency carrying on propaganda work on Stores, Co-operative Insurance, Loan and Sale Societies, etc. (iv) the Urban Banks' Committee, which did not do much work during the year; (v) the Rural Reconstruction Committee, which looked after the rural reconstruction work in 8 centres and (vi) the Training Institutes Committee which was in charge of co-ordinating the activities of the 6 Training Institutes working in the presidency. This last Committee is composed of one delegate from each of the Institutes, with the Registrar of Co-operative Societies, Madras and the President of the Provincial Union as ex-officio members. Two Educationists are also co-opted to the Committee. The Committee met twice during the year, once on 11-10-1930 and again on 20-6-1931. At the first meeting, the syllabuses were revised and adopted, and

at the second meeting, the duration of the courses, the fees for tuition and examination etc, were considered. It was also resolved at this meeting that the P.C.U. should conduct a common examination for all the institutes.

7. *The Conference* :—The XIX Madras Provincial Co-operative Conference was held on the 20th and 21st of June 1931 under the presidency of M. R. Ry., Rao Bahadur T. A. Ramalingam Chettiyar Avl., B.A., B.L., in the premises of the P. S. High School, Mylapore, Madras. A sum of Rs. 1,783 was collected by way of delegation fees, donation and boarding charges and Rs. 1,778-15-10 was spent, leaving a surplus of Rs. 4-0-2.

8. *Library and Reading Room* :—Books to the value of Rs. 792-9-2 were added to the library. The free reading room attached to the Union also continued to work throughout the year. The reading room was getting the leading dailies and weeklies, besides the periodicals on Co-operation in India and abroad. In addition to these, the periodicals which the Union gets in exchange for its journals were also made available to the public. The Union spent Rs. 131-7-0 on periodicals and Rs. 623-12-9 on the erection of a shed for locating the reading room. Out of the total expenditure of Rs. 1,547-12-11 on the reading room and library, a sum of Rs. 400 was subsidised by a Government grant.

9. *The City Panchayatdars' Classes* :—The Union conducted training classes for educating the panchayatdars of the city societies by lectures through paid staff and with the aid of magic lantern shows etc. A sum of Rs. 1,282-4-6 was spent on the classes, out of which Rs. 800 was subsidised by a Government grant.

10. *Propaganda Tours* :—The members of the Board of Management and the Executive Committee toured in various districts and carried on co-operative propaganda. They also attended District Conferences and meetings of the Central Banks, Federations and Unions. Lectures were also delivered by some of the members to the students of the Co-operative Training Institutes. A sum of Rs. 1,617-2-0 was spent on the T. A. of members for propaganda work.

11. *Other activities* :—The Union undertook the production of magic lantern slides on Temperance and Co-operation at a cost of Rs. 2,214-2-6 for propagating the Principles of co-operation. A major portion of the slides were sold for Rs. 2,230-10-0 leaving a stock of

slides worth Rs. 440 at the end of the year. The Union got a profit of Rs. 456-7-6 in the transactions.

The Union took the initiative in organising and starting a central bank at Madras for the city societies. During the year, steps were also taken by the Union for organising a Provincial Co-operative Insurance Society.

12. *Establishment and Contingencies:*—The Union had a staff of Manager and three clerks and three attenders, besides two supervisors for the City Panchayatdars' Classes. The establishment and contingent charges of the office amounted to Rs. 4,536-12-3.

The Editors of the English Co-operative Journal and of the Village Panchayat Journals are honorary officers, and they are paid a monthly honorarium of Rs. 30 and 100 respectively.

13. *General:*—There are long-standing arrears under old Bulletin dues amounting to Rs. 3,788-13-0 which the Union is requested to collect at an early date.

S. M. Shah,
3—4—'32,
Sub-Deputy Registrar.

STATEMENTS OF RECEIPTS AND CHARGES OF THE P. C. U. FOR THE YEAR 1930—'31.

RECEIPTS.

		Rs. A. P.	Rs. A. P.
1. *Annual Contributions*—			
(i) Current ...		2,040 14 0	
(ii) Arrears ...		670 0 0	2,710 14 0
2. *The Madras Journal of Co-operation*—			
(*a*) Subscription:			
(i) Current ...	4,008 12 0		
(ii) Arrears ...	418 13 0	4,427 9 0	
(*b*) Other income:			
(i) Advertisement ...	122 0 0		
(ii) Postage realised ...	31 6 0		
(iii) Sale of old journals..	9 9 0	162 15 0	4,590 8 0
3. *The Village Panchayat*—			
(*a*) Subscriptions:			
(i) English ...	344 10 0		
(ii) Tamil ...	809 0 0		
(iii) Telugu ...	615 14 0	1,769 8 0	
(*b*) Other income:			
(i) Sale of prints ...	10 0 0		
(ii) Advertisement ...	162 8 0		
(iii) Postage realised ...	71 4 0	243 12 0	2,013 4 0
4. *The City Panchayatdars' Classes*—			
Grant from Government ...		800 0 0	800 0 0
5. *The Reading Room and Library*—			
(*a*) Library grant from Government ...		400 0 0	
(*b*) Sale of news papers ...		2 0 0	402 0 0
Carried Over ...			10,516 10 0

	Rs. A. P.	Rs. A. P.	Rs. A. P.
Brought Forward ...			10,516 10 0
6. *Sale of slides and publications*—			
(a) Slides:			
(i) Sale of slides ...	2,230 10 0		
(ii) Postage realised ...	6 4 0		
(iii) Packing charges realised ...	2 8 0		
		2,239 6 0	
(b) Publications:			
(i) Sale of publications	40 14 9		
(ii) Postage realised ...	6 5 0		
		47 3 9	
			2,286 9 9
7. *Other Income*—			
(a) Grant from the Provincial Bank ...		5,000 0 0	
(b) Interest on Investments:			
(i) Fixed deposit ...	105 0 0		
(ii) Current account ...	35 3 0		
(iii) Prudential deposit...	61 5 0		
(iv) Savings account ...	0 3 8		
(v) Reserve fund ...	13 13 0		
		215 8 8	
(c) Dividend on shares ...		85 3 3	
(d) Rebate from the C. C. P. Works ...		94 6 0	
(e) Donation for I. C. Day Celebrations		30 0 0	
(f) Miscellaneous—			
(i) Contribution from the Dt. Bank for services rendered...	46 3 9		
(ii) Telephone charges realised ...	0 13 0		
(iii) Fines	1 0 0		
		48 0 9	
			5,473 2 8
8. *Investments withdrawn*—			
(a) Fixed Deposit		2,000 0 0	
(b) Prudential Deposit		1,700 0 0	
(c) Current Account Deposit—			
(i) M.P.C. Bank ...	9,372 12 0		
(ii) M.D.C.C. Bank ...	8,699 14 5		
		18,072 10 5	
			21,772 10 5
Carried Over ...			40,049 0 10

	RS. A. P.	Rs. A. P.	Rs. A
Brought Forward ...			40,049 (
9. *Other Receipts*—			
(a) Provident Fund of Employees:			
Deduction from employees ...	138 11 0		
Contribution from P.C.U. ...	138 11 0		
Contribution from M.D. C.C. Bank for services lent ...	11 4 0		
Interest on Investments ...	19 10 0	308 4 0	
(b) Advance Collection of Revenue:			
(i) Annual Contributions ...	115 0 0		
(ii) The Journal of Co-operation ...	1,180 0 0		
(iii) The Village Panchayat ...	2 0 0		
		1,297 0 0	
(c) Suspenses and Advances:			
(i) R.R. Account ...	3,299 11 6		
(ii) C.C.P. Works ...	1,704 2 0		
(iii) XIX Conference ...	457 2 0		
(iv) Other Conferences...	200 0 0		
(v) Village Panchayat...	3 0 0		
(vi) Individual suspenses ...	5 0 0		
		5,668 15 6	
			7,274 3
(d) Recovery of advances. ...		2,463 13 3	2,463 13
10. *Collection of Arrears*—			
(a) Tamil Bulletin ...	45 8 0		
(b) Telugu Bulletin ...	18 0 0		
		63 8 0	
			63 8
Total ...			49,850 9
Opening Balance by cash ...		247 3 0	
" " Stamps ...		3 13 6	
			251 0 (
Grand Total ...			50,101 10]

CHARGES.

	Rs.	A.	P.	Rs.	A.	P.
I. *The Madras Journal of Co-operation*—						
1. Printing and Paper ...	4,113	8	0			
2. Blocks and Drawings ...	71	11	0			
3. Postage	735	3	6			
4. Reprints to contributors ...	19	0	0			
5. Commission for advertisement ...	3	12	0			
6. Honorarium to the Editor ...	360	0	0			
	5,303	2	6			
7. Last year's dues ...	286	8	0	5,589	10	6
II. *The Village Panchayat*—						
1. Printing and Paper ...	1,813	5	0			
2. Postage ...	549	5	3			
3. Translation charges ...	54	0	0			
4. Reprints to contributors ...	28	0	0			
5. Advertisement and circulars ...	34	12	0			
6. Commission for advertisement fees ...	22	12	0			
7. Honorarium to the Editor ...	900	0	0	3,402	2	3
III. *Other publications*—						
1. Pamphlets ...	39	11	0			
2. Reprints and reports ...	578	7	0			
3. Postage ...	9	3	6	627	5	6
IV. *Library and Reading Room*—						
1. Erection of a shed ...	623	12	9			
2. Purchase of books ...	792	9	2			
3. Periodicals ...	131	7	0	1,547	12	11
V. *The City Panchayatdars' Training classes*—						
1. Establishment ...	1,001	10	0			
2. Contingencies ...	62	6	6			
3. Gramaphone and records purchased ...	120	0	0			
4. Lantern and slides ...	98	4	0	1,282	4	6
VI. *Propaganda and Meetings*—						
1. T.A. for propaganda ...	1,617	2	0			
2. T.A for E.C. Meetings ...	185	6	0			
3. T.A. for Board of Management Meeting ...	178	8	0			
4. T.A. for sub-committee meetings.	41	2	0	2,022	2	0
Carried Over ...				14,471	5	8

	Rs.	A.	P.	Rs.	A.	P.
Brought Forward ...				14,471	5	8
VII. *Office*—						
1. Establishment ...	2,221	9	0			
2. Contingencies ...	344	0	4			
3. Stationery and Printing ...	469	13	0			
4. Postage and Telegrams ...	359	12	6			
5. Rent ...	780	0	0			
6. Lighting and Electrical fans ...	104	3	9			
7. Telephone charges ...	234	4	0			
8. Furniture: Bought ... 146 12 9						
" repairs ... 23 1 8	169	14	5	4,683	9	0
VIII. *Preparation of Slides*—						
1. Cost of Lantern Slides ...	2,214	2	6			
2. Postage ...	3	0	0	2,217	2	6
IX. *Miscellaneous Expenses*—						
1. M. O. Commission ...	1	14	0			
2. Cheque Commission ...	2	0	0			
3. Other Miscellaneous ...	265	14	0	269	12	0
X. *Investments made*—						
(a) 1. Fixed Deposit in the M. D. C. C. Bank	2,000	0	0			
2. Current Account:						
(i) In the M. P. C. Bank ...	9,857	14	0			
(ii) In the M. D. C. C. Bank ...	8,975	4	0			
3. Prudential Deposit:						
(i) In the M. P. C. Bank (H.O.)	46	13	0			
(ii) do (T.Br.)	14	8	0			
4. Savings Deposit in the Indian Bank ...	0	3	8			
5. Provident Fund Deposit of employees	286	14	0			
6. Shares in the T. U. C. S. ...	1	3	3			
7. Reserve Fund in the Christian Central Bank	13	13	0	21,196	8	11
(b) Provident Fund of Employees refunded with interest of Rs. 1 2	34	14	0	34	14	0
Carried Over ...				42,873	4	1

		Rs. A. P.	Rs. A. P.
Brought Forward ...			42,873 4 1
XI. *Advances and Suspenses*—			
(*a*) 1. R. R. Account ...		938 1 9	
2. Conference Account:			
(i) For the XIX Conference	621 15		
(ii) „ previous	17 0	638 15 0	
3. C. C. P. Works ...		1,704 2 0	
4. Individual advances ...		2,792 10 6	
5. „ suspenses ...		2 0 0	
			6,075 13 3
(*b*) Subscription suspenses refunded:			
1. For the Journal of Co-operation		1,089 7 0	
2. For the Village Panchayat ...		3 0 0	
			1,092 7 0
Total ...			50,041 8 4
Closing Balance:—By cash ...		40 0 0	
By stamps ...		20 1 0	60 1 9
Grand Total ...			50,101 10 1

STATEMENT OF ASSETS AND LIABILITIES OF THE P. C. U. AS ON 30—6—1931.

ASSETS.

		Rs. A. P.	Rs. A. P.
I. *Cash on hand and in the Bank*—			
1. Cash on hand ...	40 0 0		
2. Stamps on hand ...	20 1 9		
		60 1 9	
3. Cash in Banks:			
(i) Current account in the M. P. C. B. ...	513 13 2		
(ii) Do. M.D.C.C. Bank.	275 5 7		
(iii Prudential Deposit:			
In the M.P.C.B. (H.O.)	805 2 0		
Do. (T. Br.) ...	112 7 0		
	1,706 11 9		
(iv) Savings Banks account in the Indian Bank ...	6 12 7		
		1,713 8 4	
			1,773 10 1
II. *Investments*—			
1. Fixed Deposit in the M.D.C.C. Bank		2,000 0 0	
2. Reserve Fund in the Christian Central Bank ...		248 0 11	
3. Provident Fund Deposit of Employees ...		534 2 0	
4. Shares:			
(i) In the M.P.C.B. ...	100 0 0		
(ii) In the C.C.P. Works	1,000 0 0		
(iii) In the T. U. C. S. ...	17 8 3		
(iv) In the Sadananda Printing Works ...	25 0 0		
		1,142 8 3	
			3,924 11 2
Carried Over ...			5,698 5 3

		Rs. A. P.	Rs. A. P.
Brought Forward ...			5,698 5 3
III. *Library and Furniture*—			
(*a*) As on 30-6-1930 ...	1,480 0 0		
Purchase of books ...	792 9 2		
„ of furniture ...	146 12 9		
	2,419 5 11		
Less Depreciation ...	362 14 11		
		2,056 7 0	
(*b*) Gramaphone and records, less depreciation of Rs. 30		90 0 0	
(*c*) Magic lantern slides for propaganda and training classes		440 0 0	
(*d*) 2 Bicycles, 2 Type-writers and 1 duplicator less depreciation of Rs. 116-3-3		658 10 0	
(*e*) Buildings—Reading room shed, less depreciation of Rs. 123-12-9 ...		500 0 0	
			3,745 1 0
IV. *Stock for sale*—			
1. Book and pamphlets on 30-6-30 ...	719 8 0		
Pamphlets published in 1930-'31 ...	39 11 0		
	759 3 0		
Sale ... 40 14 9			
Depreciation. 52 4 3	93 3 0		
		666 0 0	
2. Lantern slides, 2 coloured and 6 plain sets		206 0 0	
			872 0 0
V. *Revenue Due*—			
1. Annual Contributions ...		2,957 2 0	
2. Subscriptions for Journals—			
(i) For the Madras Journal of Co-operation ...	153 1 4		
(ii) For the Village Panchayat ...	2 4 0		
		155 5 4	
Carried Over ...		3,112 7 4	10,315 6 3

		Rs. A. P.	Rs. A. P.
Brought Forward ...		3,112 7 4	10,315 6 3
3. *Old Bulletin arrears* (prior to 30-6-23)—			
(i) Tamil Bulletin.	2,792 11 0		
(ii) English ...	212 13 0		
(iii) Telugu ...	783 5 0		
		3,788 13 0	
4. Cost of publications pending recovery ...		101 11 0	
			7,002 15 4
5. Advertisement Charges due—			
For 1924-25 ...	30 0 0		
For 1930-31 for the Journal of Co-operation ...	22 8 0		
For Village Panchayat ...	147 8 0		
		200 0 0	
			200 0 0
6. Advances and Suspenses—			
(i) Conference account ...		164 13 0	
(ii) Individuals—as on 30-6-30 ...	368 10 6		
Made during the year ...	2,792 10 6		
	3,161 5 0		
Recovered ...	2,463 13 3		
		697 7 9	
			862 4 9
Total ...			18,380 10 4

LIABILITIES.

	Rs.	A.	P.	Rs.	A.	P.
1. Shares and dividends to be refunded	385	6	0			
2. „ of the apex bank „ ...	15	0	0	400	6	0
3. Central Agricultural Committee Fund to be refunded ...				1,453	11	0
4. Due to the T. U. C. S. out of arrear collections ...				3	0	0
5. Advance Collections of Revenue to be adjusted for 31-32:						
(i) Annual contribution ...	115	0	0			
(ii) Subscriptions for Madras Journal of Co-operation ...	1,180	0	0			
(iii) „ for the Village Panchayat	2	0	0	1,297	0	0
6. Provident fund deposit of employees				534	2	0
Village Panchayat subscription for 3 months ...				443	0	0
7. Suspenses and Advances:						
Suspenses of 30-6-30	4,223	11	3			
Repaid in 30-6-30	1,091	7	0			
	3,132	4	3			
R. R. Account	2,361	9	9			
Conference account	183	0	0			
Individuals	5	0	0			
				5,681	14	0
8. Due to the C.C.P. Works ...				226	6	0
Total ...				10,039	7	0
Surplus assets over liabilities ...				8,341	3	4
Grand Total ...				18,380	10	4

STATEMENT No. I (a).

D. C. B. of Annual Contribution from Members.

Type of Societies.	No. on 30—6—31.	Demand. Arrear. Rs.	A.	Demand. Current. Rs.	A.	Collection. Rs.	A.	Balance. Rs.	A.	No. of members keeping arrears.
1. Provinciaf Societies.	5	75	0	500	0	475	0	100	0	1
2. Language Federations ...	1	...		25	0	...		25	0	1
3. Central Banks ...	30	29	0	740	0	765	0	4	0	1
4. District Federations.	15	15	0	225	0	195	0	45	0	3
5. Local Unions, including 4 audit unions	268	1,637	0	1,340	0	819	14	2,167	2	207
6. Non-credit societies.	43	121	0	215	0	65	0	271	0	34
7. Urban Banks ...	71	221	0	420	0	311	0	330	0	41
8. Primary Land Mortgage Banks ...	1	5	0	10	0	...		15	0	1
9. Training Institutes.	6	...		90	0	90	0	...		...
Total ...	440	2,103	0	3,565	0	2,710	14	2,957	2	...

STATEMENT No. II.

Income and Expenditure for the Madras Journal of Co-operation.

INCOME.

		RS.	A.	P.
Cost of 400 copies supplied to the members free (allocation out of the annual contributions) ...		1,760	0	0
Subscription received during the year.	4,427 9 0			
Pending collection ...	153 1 4			
	4,580 10 4			
Deduct last year's dues collected	418 13 0			
		4,161	13	4
Advertisement fees collected ...	122 0 0			
Pending collection ...	22 8 0			
		144	8	0
Postage recovered ...		31	6	0
Total ...		6,097	11	4

EXPENDITURE.

		RS.	A.	P.
Cost of Paper ...		1,923	8	0
Printing Charges ...		2,126	0	0
Wrapper and Printing address lables ...		64	0	0
Postage ...		735	3	6
Blocks and drawings ...		71	11	0
Honorarium to the Editor		360	0	0
Reprints supplied to the contributors ...	19 0			
Reprints pending payment ...	12 8	31	8	0
Commission for advertisement, paid ...	3 12			
Pending payment ...	5 10	9	6	0
Total ...		5,321	4	6
Profits ...		776	6	10
Total ...		6,097	11	4

STATEMENT No. III.

Income from and Expenditure on the Village Panchayat Journals.

Income.	Rs.	A.	Rs.	A.	P.	Expenditure.	Rs.	A.	Rs.	A.	P.
Subscriptions received	1,769	8				Printing and Paper :					
Deduct for 3 months	443	0				English	562	0			
			1,326	8	0	Tamil	614	5			
						Telugu	533	8			
									1,709	13	0
Advertisement fees realised	162	8				Wrapper and address-slips ...			103	8	0
Pending collection	147	8				Postage ...			549	5	3
			310	0	0	Translation charges ...			54	0	0
						Circulars and cards :					
						Paid	34	12			
Postage recovered ...			71	4	0	Pending payment	29	0			
									63	12	0
Subscription pending collection ...			2	4	0	Commission for advertisement, paid	22	15			
Sale of reprints ...			10	0	0	Pending payment ...	36	14			
									59	10	0
						Honorarium to the Editor ...			900	0	0
						Reprints supplied to contributors, paid ...	28	0			
Total ...			1,720	0	0	Pending payment ...	6	8			
Loss ...			1,754	8	3				34	8	0
Total ...			3,474	8	3	Total ...			3,474	8	3

C.C.P. WORKS, LTD., MADRAS—4-32/750.