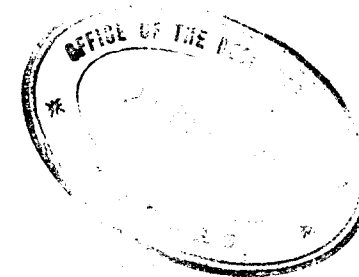


AN INDIAN DELEGATE IN GOOD COMPANY



Left to right.—Messrs. A. Young (Shettleston); A. Drummond (Falkirk); A. Ellis (Alloa); A. Pearson (N.C.P.S.) Orman (Falkirk); V. Ramadas Pantulu (India); D. Wilson (Paisley); Naismith (Portsea); J. Barr (Glasgow Eastern); R. H. Robertson (N.C.P.S.)

BY COURTESY—'The Scottish Co-operator'



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Editorial Notes.

Problems connected with the Land Mortgage Banks.

The Central Land Mortgage Bank has set up a very useful convention of inviting a Conference of Primary Land Mortgage Banks and learning their view points on many of the problems connected with long term credit on a day prior to the meeting of its own general body. In accordance with this convention the Conference of Primary Land Mortgage Banks was held on Saturday the 20th instant and Dewan Bahadur M. Ramachandra Rao, in welcoming the guests, made a speech* surveying the whole situation.

He at first dealt with the important piece of legislation which we have been able to achieve in our province and which is considered to be so forward in its nature, and so beneficial to the people that other provinces and Indian States are thinking of imitating us. The Madras Co-operative Land Mortgage Banks Act of 1934 has removed some of the legal difficulties in the way of Land Mortgage Banks and embodied many useful and necessary provisions for the successful working of the banks. It has also empowered the Local Government to guarantee the principal and interest of debentures floated by the bank to the extent of Rs. 50 lakhs. The Government

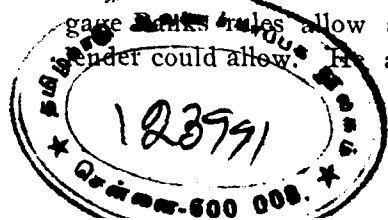
* Vide page 163 for the Speech.

of India also has recognised the debentures the principal and interest of which are guaranteed by any Provincial Government as Trustee Securities, within the definition of the Indian Trusts Act, 1882. The natural consequences of these has been the raising of the prestige of our debentures which have grown more popular with the investing public, and the authorities of the Central Land Mortgage Bank have taken advantage of the easy conditions prevailing now in the money market to redeem all their old debentures floated at higher rates of interest and are trying float new series of debentures at cheaper rates. With a view to give assurance to investors that their monies would be retained sufficiently long, they are floating a special series debentures which would not be redeemed for ten years except with the amount actually collected from the primary borrowers.

Dewan Bahadur Ramachandra Rao next dealt with the Reserve Bank which has been ushered into existence by an act of Imperial Legislature and its effect upon Land Mortgage credit. He was of opinion that the Reserve Bank would find it possible to give some help to the agriculturist to carry on his seasonal agricultural operations and to enable him to market his produce, but cannot, as it is constituted, render any effective help to an institution like the Central Land Mortgage Bank catering to the long term needs of agriculturists, unless the constitution of the bank be altered and the bank be authorised as under the Commonwealth Bank Act of Australia to issue debentures or to form a separate long term mortgage branch as in New Zealand. The only help which the Reserve Bank, with its limited powers can do, is to undertake on behalf of the Central Land Mortgage Bank, the floatation of debentures or subscribing to the debentures not taken up by the public.

The Dewan Bahadur put in an effective plea for the exemption from income-tax of the interest upon debentures and also for exempting all Co-operative Societies from the Companies tax as contemplated in the City Municipal Amendment Bill now before the local Legislative Council.

Dealing with the immensity of the problem of rural indebtedness which has been calculated, so far as this province is concerned, by the Provincial Banking Enquiry Committee to be at least Rs. 150 crores, he pleaded for a longer period of amortization, though the period of 25 years which is the maximum period as the Central Land Mortgage Bank rules allow at present is longer than any local money-lender could allow. He also advocated the institution of a larger



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number of Primary Banks and requested the Government to give more financial help to the Central Organisation as in Great Britain, where the Government has made a contribution from its public funds of £10,000 a year towards the cost of administration of the bank for ten years and has advanced to the extent of £1.25 million without interest for ten years for the formation of guarantee fund.

He pleaded for more liberal support from the Government. He ended his eloquent and comprehensive address by suggesting that long term loans should be taken not merely for the clearing of old debts but for more useful and productive purposes. He also suggested the linking of agricultural debt with a well-planned system of assurance among borrowers, a subject on which he has expressed his considered views on more than one occasion.

Sir Hopetoun Stokes, Finance Member with the Government of Madras, who opened the Conference dealt with some of the problems raised by the Dewan Bahadur in his welcome speech. He promised (though he did not feel very hopeful) to again examine the subject of getting from the Government of India exemption from income-tax to interest on debentures issued by the Central Land Mortgage Bank with a view to see whether there is a case for moving the Central Government again in the matter. Regarding the subject of Government subsidy which alone at present enables the movement to employ necessary staff for investigating titles, for valuing the properties offered as mortgages and for assessing the repaying capacity of would be borrowers, which operations are fundamental conditions of success, Sir Hopetoun promised to examine the whole question and show the utmost sympathy possible. Referring to the point raised by Mr. Ramachandra Rao that more Primary Land Mortgage Banks are necessary to deal with the question of rural indebtedness, he sounded a note of caution and warned against the possible verdict of posterity that "we organised in haste to liquidate at leisure" and held up the state to which the ordinary Co-operative Credit Societies have been reduced as a warning. Every sincere worker in the field of Co-operation will do well to keep in mind the exhortation contained in the concluding portion of the Finance Member's short but well-thoughtout address.

"Everything I consider, depends not so much on the existence of numerous institutions, as on the character and outlook of men who run them. If the management of such institutions is conducted

with a single eye to its success, if considerations of caste, or creed or political bias are absent, if personal animosities or faction can be excluded, then I feel no doubt that the enormous possibilities for good which the movement possesses will be realised, and in a generation, let us say, the problem of rural indebtedness will be well on the way to solution."

The Bombay Provincial Co-operative Institute, Bombay.

The 16th Annual Report of the above Institute for the year ending 31st March 1934 gives an account of the activities of our sister institution during a year of severe financial strain. Our readers would remember that the Institute sent out a questionnaire and elicited opinion from various co-operators regarding the revision of its constitution; but no definite action has been taken upon it because the authorities of the Institute want to find out what exactly the attitude of the Government would be on two vital matters, viz., their annual contribution to the finances of the Institute and general maintenance of the predominantly non-official character of the Institute. We hope the Government of Bombay will give a sympathetic reply on both these important points. The Executive Committee and other auxiliary bodies met a number of times and transacted useful work. The Institute was well represented at the Round Table Conference of Co-operators convened by the Bombay Government and gave expression to what may be called the non-official view point. Though the Institute has accepted the suggestion of the Government that only qualified persons should be appointed as propaganda officers, they rightly emphasise the fact that great difficulties are experienced in recruiting persons with the necessary qualifications, as security of tenure could not be assured in the absence of definite guarantee from the Government regarding their financial contribution. The Institute conducted Training Classes as usual, published through its branches co-operative magazines in the various vernaculars of the province, viz. Mahratti, Canarese, Guzarathi and Sindi. The Education Committee of the Central Institute was in charge of the Bombay Co-operative Quarterly. We are glad to note that they are also running some rural reconstruction centres. We highly appreciate the generous reduction in the rate of interest by the Provincial Bank on the loan advanced to the Institute for their building and we hope the Institute will be able to repay the amount with liberal support from co-operators of the Province and also from Government. We wish our sister Institute even greater success in the year to come.

Prof. Kaji's speech on Insurance.

Prof. H. L. Kaji, the President of the Board of Directors of the Bombay Co-operative Insurance Society made certain observations on the progress of the Co-operative Insurance Society in that Presidency in presenting the report of the Directors at the fourth annual general body meeting in July last. He rightly pointed out that the difference between co-operative insurance and ordinary insurance is exactly the difference between co-operative banking and ordinary joint stock banking. Co-operation is intended to help the poor man and is actuated more by the ideals of service than by profit. Laying emphasis upon the thrift aspect of co-operation, he made it very clear that it must be the duty of every member of co-operative societies, rich or poor to take out a policy. Retrenchment, if any, should be effected in other spheres and not in the matter of insurance. We are glad to note that the co-operative banks of the province seem to have worked in harmony with the Insurance Society. Our experience in this province has not been so happy. When the South India Co-operative Insurance Society was started, the Directors covered the province with a net work of local committees connected with important co-operative organisations like central banks and urban societies, but found in course of time that most of these did not function satisfactorily and they have been forced, much against their will, to scrape many of these local committees and to entrust the business of spreading the gospel of co-operative insurance to paid agents. There is however one way in which co-operative institutions like Urban Banks and rural societies can help insurance and that is making insurance compulsory on all their borrowers. This might appear to be rather a drastic measure, but it is bound to produce beneficial results upon the movement at large and not only upon insurance societies. Even if compulsion be introduced it is not possible to compel all people to insure with co-operative insurance societies, but the terms offered by co-operative societies are such that they invariably compare favourably with the terms of the capitalistic companies and therefore if all borrowers have to take up a policy, the major portion of their business is bound to get in the hands of co-operative Insurance Companies.

The report and the accounts submitted to the general body show that the Bombay Insurance Society did good work during the year under review. Our readers would note that the second annual report of the South India Co-operative Insurance Society is published in this

number.* We hope to dwell at some length on that report after it is formally presented to the general body in the coming month of November.

Corporation and the Housing Problem in the City.

The Corporation of Madras deserves to be congratulated upon the action it has taken upon one of the most urgent problems facing the City Fathers, the Housing Problem. They appointed an *ad hoc* Committee to examine the whole question and the said Committee has done the work thoroughly and has submitted its exhaustive report promptly. The Corporation has accepted the report and it is expected they would take action on the recommendations as promptly as the Committee itself has done its work.

Among the many prominent social workers and students of social problems who answered the questionnaire issued by the Committee Mr. K. C. Ramakrishnan, of the Economics Department of the Madras University was one and his articles on the subject have been published in the pages, of the Journal.†

He has made some bold suggestions, that an un-built but buildable area should be taxed even if it be in the nature of an extensive compound to a house, that the Government may guarantee the interest and principal due by builders to credit organisations, that Institutions with huge capitals at their disposal may even be compelled to invest part of their funds on Building concerns and that new houses may be exempted from taxations partially or wholly at least for a period.

As Co-operators we are concerned with two practical suggestions he makes in the matter of tackling this problem which urgently calls for a satisfactory solution. Considering the floating nature of the population of the City he recommends the formation of Building Societies on Co-partnership Tenancy basis as in the case of Kanara Saraswat Brahmin House Building Society of Bombay. We know that this scheme has not been an unqualified success even in Bombay; but we can learn in the light of Bombay's experience and avoid their pitfalls.

The second suggestion he makes is that Co-operative House Building Societies should be really co-operative in every stage of

* See p. 176 of this number.

† See pp. 511, 579 and 704 of March, April and June 1934 issues respectively.

the building process and not be satisfied with providing house-sites and comparatively cheap credit to its members and leaving it to them to buy what materials they please and build their houses in whatsoever a manner they please. The Reddy Jana Sangha House Building Society at Dharwar in Bombay which we had the pleasure of seeing some years back sets an example which we in Madras will do well to follow. All the stages of the building were done co-operatively. The Society as a whole purchased the plots, laid them out, drew up plans of houses according to the needs and capacity of members, bought materials and employed experts to supervise the construction so that the name Co-operative Building Society was real and real throughout and not merely partially applicable. We commend the suggestions of Mr. Ramakrishnan to the co-operators of the City.

The need for the right kind of propaganda.

When the Co operative Movement was started about three decades ago, there was perhaps no need for any effective organisation for propaganda as every worker in the field was an enthusiastic propagandist himself. But in course of time the movement settled down to normal state of affairs, which is far from being spectacular and demanding humdrum day to day work from a large number of people. Fortunately, a stream of workers has been flowing continuously on; but we are not at all sure whether the stream will flow on and whether steps are being taken by the leaders of the movement, official and non-official, for an effective propaganda, with a view to enlist the sympathies of the younger generation and make them efficient recruits under the banner of Co-operation.

It is an unpleasant fact that Truth, however charming its appearance to the philosopher does not commend itself to every intellect, unless it is brought to its notice by special propaganda. Missionaries of religion and champions of particular reforms have been acting with great faith on the need and efficacy of propaganda. So far as our country is concerned, propaganda is necessary not only regarding the true principles of Co-operation; but we require propaganda regarding the new lines of development which must be taken up in order to give a changed direction to the co-operative activities of the people and to supplement and buttress up existing lines of activities in this country. We have been using the term "non-credit co-operation" in a very comprehensive manner so as to include all

aspects of co operation except co-operative credit and much propaganda work has to be done with regard to this aspect of co-operation, which has hitherto been comparatively neglected in the country. In the western countries there is a well recognised policy pursued by most of the co-operative institutions that a portion of the profit earned in any concern should be set apart for propaganda on the ideals of that concern and for keeping up the enthusiasm of its members and their loyalty to the concern. Every co-operative store sets apart a portion of its profits for education and propaganda and such propaganda is carried on not only amongst non-members with a view to convert them into members but also amongst members in order to make them more effective members. Classes are arranged for the sake of little children who are made to take interest in the store movement by means of stories, picture books, dramatical representation and so on and the simple principles of Consumers' Co-operation are thus instilled into the minds of young children. We would therefore appeal to the co-operators, official and non-official, to see that the propaganda side is better organised and better developed in this country than is the case at present. The publicity side of the Provincial Co-operative Union and other Propaganda bodies deserves to be encouraged by all financial institutions so that they may take up the idea of effective propaganda on behalf of non-credit Co-operation with greater chance of success.

The International Co-operators' Day.

Saturday the 3rd November 1934 has been fixed as the day for the celebration of International Co-operators' Day so far as India is concerned. In order to raise the Movement from the slough of despondency into which it seems to have fallen at present, periodical stock taking and confirmation of our faith in the fundamental principles of co-operation are very necessary and these celebrations afford just such opportunities. We hope that throughout the province and throughout India as a whole this celebration will be arranged by co-operators and searching of heart done to find out whether we have been going along satisfactory lines or whether any change is necessary. We should also avail ourselves of this opportunity to devise effective methods of bringing more and more people under the banner of co-operation and make them loyal workers in its service.

The XIV International Co-operative Congress, London.

I

The fourteenth International Co-operative Congress which held its sessions in London in September last was an event of great importance to the Co-operative Movement in general and its significance so far as India is concerned has been considerably enhanced by the fact that for the first time in the history of Co-operation in India we were able to send a delegate of our own to the Conference. We hope when Mr. V. Ramadas Pantulu returns to India he will be able to give our readers his impressions about the Conference and the work done there. Meanwhile, with the information available to us from the English papers, we give below a brief account of the Conference.

Besides the great Exhibition in the Crystal Palace we see that around the central nucleus of the Conference there were ever so many other important meetings such as the International Press Conference, the International Women's Guild Conference, the International Conference of Educationists, and the International Co-operative Assurance Conference. There was also International School of Co-operation, which was held for a week prior to the Congress. The Executive Committee of the International Co-operative Alliance and its three Standing Committees dealing with the International Co-operative Wholesale Society, the International Co-operative Banking and Reassurance also had their meetings so that for about a fortnight the whole of London and its neighbourhood seem to have been extraordinarily busy with Co-operation.

II

The International School. The thirteenth International Co-operative School was held at High Lee, Hodesdon, Herts. There were about 100 students from as many as seventeen countries. Over and above the instructions received there was real good fellowship among the students representing various countries and nationalities. Prominent co-operators delivered lectures on such subjects like "Co-operation in Great Britain since the Great War," "Rationalisation in Retail Distribution" and "Expansion of Consumers' Co-operative Production."

III

Exhibition:—A grand exhibition was arranged in the Crystal Palace at the time of the Congress under the joint auspices of the English and Scottish Co-operative Wholesale Societies and the Federation of Co-operative Producers. It is well known that the Co-operative Wholesale Societies are themselves producers and manufacturers of many of the articles sold by the Co-operative Stores in England and the Exhibition was a wonder to many of the indifferent co-operators who were surprised to find that so many articles were really produced by co-operative agency. The lighter side was not left out. There were sports amongst co-operative employees and women employees took an active part in most of the items of competition and the exhibition after being kept open for a number of days was closed with a grand children's display. The Committee in charge of the Exhibition deserves to be congratulated on the excellent show they put up.

IV

The Press Conference. Sixty representatives of the Co-operative Press from various countries of the world attended the Press Conference which was presided over by Mr. H. J. May, General Secretary of the International Co-operative Alliance. Mr. J. A. Flanagan, the Editor of the Manchester Co-operative News read his paper on "The functions of Co-operative Press, National and International," and said that with the spread of primary education people have been taught to read and added that they are now being taught to think and that they will think according to what they read and how they read. Hence, he emphasised, the importance of the Press in the cause of a movement like Co-operation. "It is not enough," he said, "if you provide our members with what they eat and wear; but must also provide members, present and prospective, with what they should read." He appealed for the formation of an International Press Committee on the lines of the three existing Committee dealing with Banking, Wholesale societies and Assurance. We are glad to note that our representative Mr. Ramadas Pantulu took part in this Conference and spoke of the great popularity of the Manchester Co-operative News and the International Co-operative Review in this country.

V

Women's Guild. Between 500 and 600 delegates and visitors representing 23 nationalities from 19 different States attended the

Conference of the International Co-operative Women's Guild held last week in London. The overwhelming majority were working mothers, representatives of that great mass of women who carry on with their own hands the work of the home in Britain, in Sweden, in Russia, in Austria, Iceland, Australia, and the many other lands from which the delegates had assembled, drawn together by the common responsibilities of motherhood and the "power of the market basket."

In her opening address Mrs. Freundlich reviewed the worsening of the international situation both politically and economically in the four years since the previous Conference, and dwelt on the two essential tasks before the Guild—that firstly of making the social purpose and significance of co-operative trading understood, and revealing to women the power to transform Society which lay behind the simple fact of shopping, and secondly that of continuing their great struggle for peace. The Guild's method was an economic one; it allowed freedom of party and of creed. But mothers themselves must take upon themselves the great responsibility of saving their children from death in the trenches either of war or of social distress.

The subsequent discussions followed in their main lines the lead given in the presidential address. After receiving the greetings of the International Co-operative Alliance from its President, Mr. Vaino Tanner, of Finland, and a number of messages, including one from the first negro women's co-operative organisation showing the widening influence of the Guild, the Committee's report and statement of accounts was adopted against the votes of the Russian delegates who considered it evidence of a failure to face vital issues, and the Conference proceeded to discuss a paper on "Present Economic Tendencies; where does the Housewife come in?" This reviewed the recent legislative and administrative measures taken in different countries to safeguard producing interests and their effect on the Co-operative Movement and the housewife as consumer, and was introduced by Mrs. Moll, of Holland. Delegates from England, U. S. S. R., Austria, Czecho-Slovakia, Scotland and Switzerland participated in the discussion, and a resolution was carried, the Russians dissenting, which expressed serious apprehension regarding both the effect of these measures on the housewife and family, and the prospect that the spread of a form of State based on money-earning interests might lead to the exclusion of the housewife from

any control of public affairs. It called upon all women to rally to the support of the Co-operative Movement as their only effective protector.

The second day was devoted to discussing a report on "The Meaning of International Co-operation to Women" introduced by Mrs. Barton of England, which dealt mainly with the problems and tasks of the Co-operative Movement and of the Guild itself in realising its international aims, and to a resolution on "The Next Step towards International Peace" submitted by the Committee and introduced by Madame Heymann, of Belgium. The resolution reaffirmed the unalterable opposition of co-operative women to war in all its forms and their demand for complete disarmament by water, land and air. It urged women to devise fresh methods of convincing Governments that any attempt to delude the people into accepting another war would meet with the uncompromising resistance of women, and called for immediate steps from all Governments to abolish the profits from war. Scientific examination of the measures needed from a psychological point of view to prevent war and restore international confidence was urged, and also the provision through organised international service of outlets for the unapplied energies and spirit of self-sacrifice existing in all countries especially among the young. The resolution called forth speeches of intense conviction from numerous countries, and although criticised as inadequate by the Russian delegates was carried without opposition.

The meetings closed with the singing of Auld Lang Syne, and were followed by a social gathering in which music was mingled with greetings given by a number of the national delegations, and on the following days by a visit to the Co-operative Exhibition at the Crystal Palace and an excursion on the Thames.*

VI

The International Educationists' Conference :—"Co-operative Education in the changing social order" was the special subject discussed at the Conference. The leading paper on the subject was presented by Prof. Louis de Brouckere, Professor of Co-operation in the University of Brussels. He pleaded for the establishment of an International Co-operative School which would be the centre of co-operative research and suggested it might be conducted under the auspices of the International Co-operative Alliance.

* We are indebted to the International Co-operative Women's Guild for this excellent summary (Ed. M. J. of C).

At this Conference also our representative Mr. Ramadas Pantulu took part. He did not however agree with the suggestion that the school should be run under the auspices of the International Co-operative Alliance which, as it is, is handling more problems than it could safely do. He was of opinion that economic conditions are changing very rapidly and that each country will solve its own particular problems. He agreed with the suggestion that the Cinema can be made use of for the purpose of popular education, especially in an educationally backward country like India.

VII

The Congress proper. The Congress was held in the heart of London at Westminster near the Mother of Parliaments. It is interesting to recall that the famous philosopher and social worker, John Stuart Mill, represented this constituency for a short time in the Parliament and took part in the preliminary discussions which led ultimately to the passing of the Friendly Societies Act of England placing Co-operation on a statutory basis.

About 500 delegates were present, roughly 250 British representatives and an equal number representing the rest of the world. Naturally, representatives of European countries, such as Russia, France, Denmark, Switzerland, Czechoslovakia, were numerically stronger than those of the countries of the other parts of the world. Our satisfaction is that our representative was also there.

Sir Frederick Hayward, President of the British Co-operative Union, welcomed on behalf of British Co-operators, all the delegates present and Mr. Vaino Tanner, President of the International Co-operative Alliance, presided over the function. The British Government was officially represented by the Rt. Hon. Oliver Stanley, Minister of Labour, who extended a hearty welcome to the Congress on behalf of the Government. Lord Snell, President of the London County Council also welcomed the Congress on behalf of the City of London.

After fraternal greetings by distinguished visitors and guests assembled, the proceedings began. Mr. Arthur Henderson a former member of the Labour Cabinet and the present President of the International Disarmament Conference attended the Congress and spoke of Co-operation as the surest foundation for true democracy.

Resolutions passed at the Congress and also by the International Guild of Co-operative Women are printed elsewhere* and they show how the delegates assembled did not deal with the problems in a superficial way but went to the root of the matter.

We are sure our worthy representative enjoyed these things and was immensely benefitted by the rich experience of exchanging views with the representatives all over the world. The speech he made at the Conference is published below.

VIII

MR. RAMADAS PANTULU'S SPEECH AT THE CONGRESS.

MR. PRESIDENT,

I am, perhaps, the only delegate in this large INTERNATIONAL CONGRESS, that comes from a country which enjoys neither political nor economic freedom. Nevertheless, I am in a position to say, that in the company of my fellow co-operators, I have not felt that sense of inferiority which I would have felt in a political or economic World Conference, in collaborating with the Representatives of self-governing countries and nations. I attribute this, in the first place to the atmosphere of freedom and self-reliance that has pervaded this Congress and which it has been the aim of the Co-operators to create. In the next place I attribute it to the abundant goodwill to India, manifested by my fellow Delegates from all the countries. The East and West which were conceived by an English Poet (Rudyard Kipling) as being irreconcilable, have, at this International Congress, met on terms of absolute equality and mutual understanding and also with a sense of identity of their interests in the co-operative solution of their varied economic problems.

There is no reason why we should not meet with a similar sense of identity in International interests in Political and other concerns of National Life. I feel that this will become possible only if Imperialism and Capitalism give way to the ideals for which this Congress stands and these ideals are accepted and put into practice. I shall, however, be untrue to myself if I fail to tell the Congress that as I listened to some of the speeches that were made in the last three days, I felt the ideal of "Co-operative Commonwealth" which in the past evoked great enthusiasm and raised large expectations in the ranks of Co-operators, is receding somewhat into the back ground.

* See pages 187, 190 and 192 of this Journal.

The cult of economic Nationalism and of a planned economy of its own for each nation has made serious inroads on the faith of some of the Delegates in the Universality of their creed and the efficacy of their methods. It is said that, if in any country the interests of "organised co-operation" conflict with the larger interests of the economic life of the nation as a whole, the former must give way to the latter. Put in this form, the proposition may appear to be *prima facie* sound. I am, however, unable to agree with the implications that the proposition carries with it. If I have understood the principles of co-operation aright, and if co-operation aims, as I believe it does, at promoting the interests and efficiency of production, distribution and buying, by eliminating all unnecessary factors that go to needlessly increase the cost of the Consumer in private economy based on profit, I fail to see how organised co-operation of the right type can possibly conflict with true National interests.

If Governments in certain countries are hostile to co-operation or so frame their schemes of planned economy, as to suppress or injure the co-operative organisation or discriminate against them, it is because those Governments are either dominated by the vested interests of private economy, or, are unable to shake off the effects of the capitalistic environment and tradition in which they have been nurtured for centuries and not because there is anything wrong with the essential principles and practice of co-operation. In countries so circumstanced, it will not only be the right, but also the duty of co-operators to take effective action to convert their Governments to their view point and to make them realize the fundamental identity of the interests of organised co-operation and those of the Nation as a whole. It is the economic programmes of the Governments that must give way to those of organised co-operation. To this extent the principle of Political Neutrality must be modified. In this demand, I am in full agreement with the views expressed by the British Delegates. We in India will eagerly watch the growth of the Co-operative Party in British Politics and of its influence in shaping the economic policies of the Government of Great Britain.

In India, Co-operation has not yet made any effect on the Capitalistic trading interests as it is largely confined to agricultural credit; but when the Movement develops in India to such a stage as to bring it into conflict with Capitalism in any sphere, we expect that the attitude of the Government of India towards the Movement

will be largely influenced by that of the Government in this country. So, the developments in Great Britain are of special interest to India.

It seems to me, that one of the most effective ways of bringing home to Co-operators in various countries, the identity of their economic interest, is the establishment of an International Co-operative Wholesale Society into which the wholesale societies of the different countries are federated. No country can produce everything that its people want and no country can live in economic isolation from other countries. Every country should be glad to buy such of its requirements as it cannot supply by its own Productive effort and to sell its surplus commodities through an International Co-operative Trading Corporation than through a commercial corporation. The project of an International Co-operative Trading Organisation may be usefully linked up with a scheme of International Co-operative Banking Federation, because Commercial Banks generally make common cause with Capitalistic Producers and Employers, to the detriment of Producers of primary products, consumers and the working classes. I earnestly hope that the International Co-operative Alliance will take up this question in the near future.

In conclusion, I beg to assure this Congress, that India, which is irrevocably committed to the creed of non-violence will stand by the Congress in the struggle to end political and economic wars and will give her full moral support to the resolution on peace and disarmament passed by this Congress. Our success in influencing International Opinion will largely depend on our loyalty to the creed and basic principles of co-operation, and I hope and trust that we shall soon regain in the fullest measure our faith in that creed and those principles, and in the possibilities and potentialities of co-operation to promote world peace and universal harmony.

Some Problems of Land Mortgage Banks.

ADDRESS BY

DEWAN BAHADUR M. RAMACHANDRA RAO, B.A., B.L.

SIR,

On behalf of the Board of Directors of this Bank and on behalf of the representatives of the Primary Land Mortgage Banks now assembled here I extend to you a hearty welcome. Since the establishment of this bank, the Board of Directors have been regularly meeting the representatives of the Primary Land Mortgage Banks every year in conference for the purpose of exchanging their views on the many complicated questions that are continuously arising in the day to day administration of the Central Land Mortgage Bank and its affiliated organisation. This is the fifth time that we are so meeting. Last year my esteemed friend Mr. P. T. Rajan, the Minister for Development, who has always evinced keen interest in the progress of this bank was good enough to open the conference and to give us the benefit of his views on the working of the scheme and incidentally to acquaint himself with our difficulties, our aims and aspirations. We are grateful to you for the readiness with which you have accepted our invitation this year and for finding time amongst your multifarious duties for coming here to open this conference to-day. We believe that the only way of securing the continued progress of the scheme for the establishment of Land Mortgage Banks and for their smooth and efficient working is to interest you and other members of the Government in the work of this Bank from year to year and to avail ourselves of their financial and administrative experience. The progress of land credit institutions in this country is vital to the prosperity of the agricultural classes and the interests at stake are too important for Government to remain entirely aloof. In Europe and America the Government is closely associated in various ways with the working of these institutions and we in India can hardly expect to be an exception. Before requesting you on behalf of the Board to open this conference it will, I think, be convenient if I refer very briefly to the work and activities of this bank and its member banks during the year which has just closed and to some of the problems confronting them.

THE OUTSTANDING EVENT OF THE YEAR.

The outstanding event of the year which has just closed is the passing of the Legislation which has been under consideration ever since the establishment of this bank. The Madras Co-operative Land Mortgage Banks Act, 1934, has removed some of the existing legal difficulties in the way of Land Mortgage Banks and embodies many useful and necessary provisions for the successful working of the banks. It has given express legislative recognition to the debentures of this bank and the Government has also been empowered to guarantee the principal of and interest on its debentures till they are redeemed. Though this form of state assistance in establishing the debentures and giving them a status in public estimation is very common in western countries, this is the first time that a Local Government in this country has undertaken legislation for the purpose of financing the long-term needs of the agricultural classes. The Act, therefore, is a landmark in the history of the co-operative movement in this country and legislation on similar lines is being now thought of in other provinces and also in Indian States like Mysore. One of the important safeguards enacted in the Act for the benefit of the investors is that the debentures issued by this bank and outstanding at any time should not exceed the total amount due on the mortgages and the value of all other assets transferred by the affiliated banks to this bank and subsisting at the time. The position at the end of 1933-34 was that the outstanding loans amounted to Rs. 33,82,134-13-9 and the properties mortgaged to the banks as valued by the departmental officers amounted to Rs. 1,14,38,629. The debentures are, therefore, amply supported by the collective security of the lands mortgaged to the banks. In addition to this, we have also had the guarantee of the Government in respect of the interest on the debentures issued by the bank up to the limit of 50 lakhs of rupees. Under section 6 of the Land Mortgage Banks Act, 1934, the guarantee of the Government has now been extended both in respect of the principal of and interest on the debentures not exceeding 5 per cent. per annum up to a further amount of 50 lakhs of rupees and a notification to this effect has been published a few days ago. We are also gratified that after a protracted controversy one other serious difficulty has been removed by the Government of India. I refer to the recent amendment of the Indian Trusts Act, 1882. Debentures, the principal whereof and interest whereon have been guaranteed by a

Local Government, are now included in the list of trustee securities and one of the great objections of intending investors to invest their funds for long periods in the debentures of the bank has thus been removed. In consequence of the amendment, the debentures will be readily saleable in the market and their easy negotiability has placed the financial arrangements for the issue of debentures on a satisfactory footing. We are grateful to the Government more especially to you as the Finance member and to Mr. P. T. Rajan as the Minister for Co-operation for the steps that have been taken for the enactment of the provisions contained in these two measures. We do not expect to have any difficulty hereafter in raising the requisite funds at reasonable rates of interest for carrying on the operations of this bank. Indeed, we have already evidence that our debentures carrying the guarantee of the Government both in regard to principal and interest will hold a commanding position in the share market and will be one of the safest non-speculative investments in the country. Up to the end of the year 1933-34 the bank has issued debentures to the extent of Rs. 46,38,800 and after deducting the debentures that have been redeemed, the outstanding debentures at the end of 30th June 1934 amounted to Rs. 34,55,800. We are, therefore, looking forward to a continuous flow of funds from the insurance companies and the general public by the sale of our debentures.

THE NEW DEBENTURES.

I may now refer to another important feature of the bank's operations. This relates to the gradual reduction of the rates of interest to the ultimate borrower. In the first two or three years after the establishment of this bank, interest rates were high and the bank was obliged to pay interest at $6\frac{1}{2}$, $6\frac{1}{4}$ and 6 per cent, on its debentures, and the ultimate borrowers have had to pay interest up to $8\frac{1}{2}$ per cent on their borrowings. Since then there has been a great change in the conditions of the money market. The question of conversion of debentures carrying higher rates of interest has been very carefully considered by the Trustee and the Board of Directors who came to the conclusion that in the present day conditions of the money market and the acute depression caused to the agricultural classes, every consideration should be shown to the ultimate producer and that the benefit arising from the conversion operations should be passed on to the ultimate borrowers.

The Board, therefore, gradually redeemed the earlier series, of debentures and during the year 1933-34 debentures of the value of about 11 lakhs of rupees have been so redeemed and have been replaced by debentures carrying interest at 5 per cent per annum. Since the close of the year, the Board also resolved to redeem the first and the fifth series of debentures carrying interest at 6 and 5½ per cent respectively and to offer to the debenture-holders 4 per cent debentures for 20 years. When the redemption of these two series is also completed, we shall have no debentures on which the rate of interest will exceed 5 per cent. per annum as stipulated in the Government order recently issued. As a matter of fact, the rate of interest on the bank's debentures since March last has been 4 per cent per annum and a sum of Rs. 14,08,800 has been received up-to-date at this rate. There has been some amount of criticism that by redeeming debentures after three months' notice the Board is not probably aware of the inconvenience caused to those debenture holders who desire to reinvest their funds elsewhere. We are keenly alive to this side of the problem and are anxious not to cause any avoidable inconvenience to our investors. With a view to remove these difficulties, the Board has recently resolved to issue debentures which will not be redeemable for the first 10 years from the date of issue except to the extent of the annual collections and advance payments made by the borrowers. These new debentures will, therefore, give the intending investors an assurance that their investments will not be disturbed for a fixed term. Prospective investors may take note of these three important features of our new debentures, namely, (1) irredeemability for a period of 10 years (2) the guarantee of principal of and interest on these debentures by the Government and (3) their recognition as trustee securities and their consequent liquidity. We are confident that these features will establish the debentures in popular favour and that they will readily pass into general circulation along with the other securities of the country.

REDUCTION OF RATES OF INTEREST.

Throughout the year 1933-34 the rate of interest charged by this bank to the primary banks was 6 per cent per annum and 7 per cent to the ultimate borrower. The money lender in the villages has been hitherto supplying the long-term needs of the agriculturists and for the first time in the history of this presidency, a rival to him has

appeared on the scene in the shape of the Land Mortgage Banks and in several localities we are informed that the money lenders have reduced their rates of interest in competition with the banks and with a view to keep their customers. Whatever may be the other benefits arising from the establishment of these banks, it is clear that the village money lender who has hitherto been the chief supplier of long-term money to the agriculturists now feels that his influence is waning and that the only way of meeting the situation is to reduce his rates of interest. In the circumstances, there has been a demand from many of the Primary Banks for the reduction of the rate of interest on the loans and the Board, after careful consideration, has recently reduced this rate to 5½ per cent to the primary banks and 6½ per cent to the ultimate borrowers. This reduction, I have no doubt, will be greatly appreciated by the ryots.

THE RESERVE BANK AND AGRICULTURAL CREDIT.

In this connection I cannot omit to refer to a question which is now engaging the anxious consideration of all co-operative organisations in this country and that is, how far the Agricultural Credits Department proposed to be established under section 54 of the Reserve Bank Act would serve the needs of the agriculturists. While there are provisions in the Act under which the Reserve Bank may be able to render some assistance by financing co-operative and other banking organisations to help the ryot to carry on his seasonal agricultural operations and also to give him marketing credit, the Reserve Bank cannot, as it is now constituted, render any effective help to an institution like ours which has been established for the purpose of meeting the long-term needs of the agriculturists. As the Act now stands, the Reserve Bank may not be of any immediate use to us. If the Reserve Bank had been authorised as under the Commonwealth Bank of Australia Act, to issue debentures or to form a separate long-term mortgage branch as under the provisions of the bank of New Zealand Act for the issue of debentures for long term purposes it would have been able to raise the necessary funds for long-term needs of the agriculturists much more cheaply and perhaps under much more favourable conditions than the Central Land Mortgage Bank is able to do. The floatation would meet with a ready response if a central financing institution like the Reserve Bank were to issue the debentures. Being in intimate contact with the money market of the country, the

Reserve Bank can, on the one hand, use its great influence to tap wider sources of finance for the success of debenture issue, and on the other, it can know best the time and the opportunity most suited for such an issue. Besides, being the best judge of changing money conditions and interest rates it could float debentures more successfully from time to time at the lowest rates possible. As the necessary provisions are not in the Act, this cannot now be done. The only other way in which the Reserve Bank can help this Bank is to undertake on its behalf the floatation of debentures and if any part of any issue is not taken by the public to itself purchase the unsubscribed portion of the debentures. The debentures are now trustee securities and I do not see why this should not be done. Mr. Darling who has been entrusted with the duty of constituting the Agricultural Credits Department will be shortly visiting this province and I hope that this aspect of the matter will receive consideration.

TAX-FREE DEBENTURES.

While we are grateful for all that has been hitherto done by the Government to make the debentures stable and attractive securities, there is still one other matter to which I venture to invite your attention and the attention of the Government. I refer to the question of the exemption of interest on debentures from the payment of income-tax. Under section 30 of the Co-operative Societies Act, 1932, the Governor General in Council has already the power to remit the income-tax payable in respect of the profits of the Co-operative Societies, or of the dividends or other payments received by the members of the societies on account of profits. The debenture-holders of this bank contribute almost all the working capital of the Land Mortgage Banks and while the dividend earned by the share-holders of the land mortgage banks are exempt from income-tax, the interest earned by the debenture-holders is not so exempted. In this country industrial undertakings attract almost all available capital and there is no inducement whatever to invest money in undertakings intended for the benefit of the agriculturists. This exemption may do something to induce investors to put their money in support of schemes for the betterment of ryots. In some of the European countries the debentures of Land Mortgage Banks are not taxable as a rule either at issue or on transfer. Whenever they are taxed it is done indirectly by taxing the institution itself on the total amount of debentures issued or in its business, or assets. In America, the Commission appointed by the United States

Government came to the conclusion "that a tax on the mortgage ultimately comes out of the borrower either directly or in the shape of increased interest on the loan. It is impossible to secure money for the farmer on easy terms unless and until such an exemption is given." Section 26 of the Federal Farm Loan Act, 1923, therefore provides that "every Federal Land Bank, and every National Farm Loan Association including the capital and reserve and surplus therein and the income derived therefrom shall be exempt from Federal State and local taxation." First mortgages executed to Federal Land Banks or joint Stock Land Banks, Farm Loan Bonds issued under the provisions of the Act are also exempt from Federal State and local taxation. A proposal to exempt interest on debentures issued by Land Mortgage Banks and other Co-operative Societies from income-tax has been made by the Madras Government to the Government of India in 1929, but they postponed the consideration of the subject till the report of the Indian Central Banking Enquiry Committee was available (vide G. O. No. 292-IT/29 dated 25th July 1930, Finance Department, Central Revenue). It was then suggested by the Government of India that the exemption of interest on debentures from income-tax will be a kind of subsidy to the co-operative land mortgage banks and it has been doubted whether this is the best way of helping the bank. The Indian Central Banking Enquiry Committee made a recommendation that where the co-operative societies invest their funds in public securities or land mortgage debentures for the purpose of maintaining their fluid resources and for the investment of their reserve funds, the interest earned on such securities and debentures should be exempt from income-tax and super-tax. But last year the Government of India finally declined to exempt the debentures from income-tax and to grant any further income-tax concessions to co-operative societies (letter from Government of India, Finance Department Central Revenue, No. 292-IT/29 dated 11-1-33). The point for consideration, however, is that the rate of income-tax vary from year to year and the intending investors regard this as an uncertain feature in the debenture scheme. In order to attract permanent non-speculative investors a definite rate of interest during the whole period of debentures should be secured to them and this can only be done by making the debentures tax-free. This has been the policy in regard to all land mortgage banks in the west and the state assistance by way of exemptions has been of immense value in the building up of debenture holdings of land mortgage institutions. I suggest that the Government may be pleased

to press this matter again on the Government of India and to secure this exemption not only where investment is made in land mortgage bank debentures for the purpose of maintaining fluid resources, but generally for all investors in accordance with the precedents to which I have just referred. In this connection I should like to bring to your notice a proposal now before the Legislative Council. The City Municipal Amendment Bill proposes to levy the companies-tax also on co-operative societies. This, I venture to say is an unfriendly act to the ryot on whom the payment of the tax ultimately will fall and I trust that the Government may see their way to exempt all co-operative societies from local taxation.

THE IMMENSITY OF THE PROBLEM.

The problem of dealing with rural indebtedness and improving the economic position of the ryot has been the theme of many commissions and committees and it is unnecessary to dwell at any great length on the importance of finding some solution for it. It was recognised at the Economic Conference held at Simla in April last "that agricultural indebtedness is one of the greatest problems with which India was confronted and that it has obviously acquired a new intensity and significance as a result of the fall in prices." The only way of helping the ryot is to save him and his property from his creditors and to give him every opportunity to redeem himself from debt and to help him to reduce his interest charges and generally to improve his economic position. The need for some machinery for debt conciliation as a preliminary for taking over the debts by the Mortgage Banks and the need for more banks are so obvious. The provincial Banking Enquiry Committee has estimated the debt secured and unsecured in this presidency at 150 crores of rupees. This shows the immensity of the problem before us. I should not, however, be understood as suggesting that it would be either feasible or practicable to redeem the whole of the debt. Some of the ryots are probably beyond redemption, but there are a large number who can retrieve themselves by a well arranged system of amortisation of their debts in a reasonable period of time. These facilities cannot now be given to him by the average money-lender and it is only by an organisation such as a land mortgage bank that any substantial result can be achieved. No money-lender can or would lend money for a period of 20 years as we are now doing or for a period of 25 years as we might do under our by-laws. The longer

the period of amortisation the easier it is for the borrower to pay off his debt without trenching upon his means of subsistence. The Central Banking Enquiry Committee suggested that with sound management it may be possible to fix the period of loans at 30 years and at the recent conference of Registrars a resolution was adopted that the maximum period of the loan should be extended to 40 years and that "efforts should be made to extend the operations of the land mortgage banks so as to cover the entire existing debts in all cases in which the conditions governing land mortgage banks are satisfied." If the resolution adopted at the Registrar's conference is to be carried out without any reasonable delay, I venture to say that there are many more areas in this Presidency in which the conditions for the establishment of Land Mortgage Banks will be fulfilled and that a definite and reasonable policy of expansion is necessary. There are as yet no banks in some districts and there are far too few in others. We have now 66 Primary Banks affiliated to this bank, and the demand for the establishment of more banks has steadily increased and has to be met.

THE INADEQUACY OF THE STAFF.

The continued efficiency of the Primary banks is an essential condition of the success of the whole scheme and without the provision of an adequate paid staff to supervise and assist the banks from day to day their efficiency cannot be secured and maintained. The investigation of titles, the valuation of properties and assessing the credit of borrowers with special relation to their repaying capacity are the most important functions in the working of primary land mortgage banks and constitute the factors which determine their soundness. These functions can only be properly discharged by qualified appraisers who can be trusted to bring in an independent mind to bear on the questions involved. From the experience so far gained I am of opinion that in the interest of efficiency and sound administration it is necessary to employ one Sub Deputy Registrar for every three banks. The jurisdiction of each of the two Deputy Registrars to supervise their work is now too large and unwieldy and the employment of another Deputy Registrar immediately is necessary. The present staff of 17 Sub Deputy Registrars and 2 Deputy Registrars has been sanctioned on a temporary basis and is embarrassing the operations of this bank. It is, therefore necessary to settle the question relating to the staff permanently or at any rate for the next

five years. The shortage of the staff has hampered the work of this bank in various ways. The whole question of finding the necessary staff on a more satisfactory footing must receive adequate attention from the Government and due provision must be made therefor if the scheme is to be placed on a sound footing not only to meet the present needs, but also to meet the future developments. Government have recently raised the question of a contribution from this bank for the expenditure on the outdoor staff. I have already explained the whole financial position of this bank and of the Primary banks to the Government and referred to the slender resources at their disposal which are just sufficient to cover the administrative charges of the banks. While the Board is thankful to the Government for meeting the charges of the outdoor staff up-to date, it feels that there is no reasonable prospect either for this bank or for the primary banks of making any contribution for the present and the whole problem should be considered on this footing, at any rate, for the next five years after which the question of a contribution can be again considered. Any other course will retard the progress, affect the efficiency of the banks and postpone a reasonable expansion of the scheme.

CONTRIBUTION FROM THE BANK.

The expenditure for this purpose is exactly on the same footing as the expenditure on the other activities of the Co-operative Department, of the Department of Agriculture and other Development Departments and is intended to promote the well-being of the agricultural classes. There is, no reason to treat Land Mortgage Banks on a different footing from institutions supplying short-term credit or from other institutions started by the Co-operative Department. From the very nature of things any system of rural credit cannot be self-supporting in the sense that the whole expenditure on the inspection and supervising staff could be recovered from the borrower and it can never succeed in this country without the special attention and help of the Government. The extent to which this special attention and help has been given by their respective Governments in certain parts of the British Commonwealth and in the United States of America have been often referred to by me, and I desire particularly to invite attention of the Government to the financial help given when the Mortgage Corporation for identically the same purpose was established under the Agricultural Credits Act, 1928,

in Great Britain. Besides giving a contribution from public funds of £10,000 towards the cost of the administration of the company for ten years, the Government made advances to the extent of £1,250,000 free of interest for 60 years for the formation of a guarantee fund. The Government also consented to subscribe to the debentures to be issued to an extent of $\frac{1}{4}$ th of each issue up to £1,250,000 and also undertook the underwriting of debentures up to 5 million pounds. Land Mortgage Banks in this country cannot be a success unless the Government extend their help in the same generous way as has been done in Great Britain. The Board expresses the hope that the whole subject of providing an adequate staff will receive the sympathetic consideration of the Government.

LOANS FOR PRODUCTIVE PURPOSES.

Many practical questions are arising from day to day in the satisfactory solution of which both this bank and the Primary Banks are interested. Some of these are referred to in the notes that have been circulated and I do not wish to weary you by referring to all of them at this stage. I am glad to say that our affiliated banks are doing their work in a business-like manner and that their borrowers are getting into the habit of making their annual payments punctually and defaulters have been few. Much of the success of the whole scheme will depend on the regular collection of instalments without any coercive process and I have every hope that there will be no necessity for a constant use of the powers given to the banks. The operations of this bank have hitherto been confined to the redemption of past debts, some of which may be regarded as unproductive. The replacement of these debts by loans at reasonable rates of interest extending over a long period will undoubtedly help the ryot in reducing his interest charges. But the Board feels that co-operative effort should be directed not so much to eliminate debt altogether but to replace unproductive debt by productive debt and that unless the ryot gets loans also for productive purposes such as the construction of wells, tanks and other works for the storage, supply or distribution of water for the purposes of agriculture or to reclamation, clearance, enclosure or permanent improvement of land for agricultural purposes, the economic position of the ryot cannot be improved. Some of the legal difficulties in the way of granting such loans have been removed by the Land Mortgage Banks Act, and the Board proposes to permit loans for agricultural improvements hereafter. The subject has been discussed with

some of the Primary Banks and some of the practical difficulties in the granting of these loans are coming on for further discussion to-day.

DISMORTGAGING AND LIFE INSURANCE.

In conclusion the Board is keenly alive to the numerous difficulties in rescuing the ryot from a state of chronic indebtedness and in improving his economic position. The problem does not admit of any easy solution. We also feel that the provision of cheap and abundant credit will not solve it at a stroke and that it will not be a tangible benefit to the borrower if he does not understand the economic value of credit and does not exercise prudence and judgment in his dealings. The economic prosperity of the country therefore depends on the successful solution of this problem. We realise the necessity for a vigorous programme of thrift. One of the methods that has been adopted for the clearance and extinction of debt in some of the western countries is that where the borrower can afford to take out a policy from an insurance company for the amount borrowed from the Primary Bank, he should be asked to do so and to assign the policy to the lending bank as security for his debt. The system of dismortgaging by means of life insurance has met with favour with the public in Germany and this method of mortgage debt redemption is now becoming more and more popular. The insurance is effected for the amount of the debt to be extinguished and since this becomes less in consequence of the payment of the annual amortisation charges, this means effecting it for the sum that remains to be paid. Thus what is insured is the remainder of the debt, the amount of which is always diminished and consequently the premiums are gradually reduced. In the event of the death of the insured person, the residue of the capital debt not yet repaid is covered by this insurance and thus complete dismortgaging is rendered possible. The problem of combining life insurance with mortgage credit deserves very careful consideration both by the insurance companies and the land credit institutions that exist in this country. The Board is trying to interest both the life insurance companies and the primary banks and their borrowers in promoting this form of thrift.

I have briefly referred to some of our immediate problems that require consideration. These problems cannot be solved without the active sympathy and co-operation of the Government. I have

always had a feeling that many of our present difficulties in the Co-operative Movement throughout the country are traceable to overlooking, in the past, some of the fundamental conditions for the success of the movement. We have lost our ancient moorings which gave us perpetual discipline in human and social sympathies and in living well ordered lives and we have to rebuild our social and economic life after the co-operative pattern. Our spiritual ideals cannot, by themselves, bring comfort to the poor, despairing and illiterate peasant who is perennially in debt and our hope, therefore, lies in the spread of co-operative ideals with its principles of comradeship in work and with its ideals of better farming, better business and better living. For some decades the history of co-operation in other countries was one of experiments, some of them successful but others unsuccessful. There is therefore no need to be unduly pessimistic about our failures in this country. In our present welter of economic experiment and reconstruction, our faith in the movement and its possibilities are stronger than ever. I now request you to open the conference.

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BANGALORE.

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BANGALORE CITY.

South India Co-operative Insurance Society, Annual Report and Audit Certificate.

Report and accounts for the year ended 30th June 1934.

DIRECTORS' REPORT.

The Directors of the South India Co-operative Insurance Society, Ltd., have pleasure in submitting their Second Annual Administration Report on the working of the Society for the Co-operative year ended 30th June, 1934, together with the Audit Certificate, issued by the Registrar of Co-operative Societies, Revenue Account, Balance Sheet and other statements.

Though this is the second year's report of the Society, it happens in fact to be the first to be submitted to the entire General Body.

The Society was registered in January, 1932 and commenced its operations in March, 1932. Till 31st August, 1933 the Society was run by an Interim Board of Seven Directors elected, nominated and co-opted under Transitory Bye-law No. 75. This Interim Board having had the powers of the General Body, considered and adopted the first Administration Report and Accounts of the Society for the period ended 30th June, 1933, *i.e.*, for the first 15 months of its working. The Interim Board ceased to function as per the bye-laws from 31st August, 1933 and on the 1st of September, 1933, the newly elected Directorate assumed office.

During the period for which the first Administration Report was presented, *i.e.*, up to 30th June, 1933, the Society received 909 proposals for assurances amounting to Rs. 8,74,100 out of which 637 proposals assuring a sum of Rs. 6,33,500 resulted in policies. During the period covered by the second Administration Report, which is for a period of 12 months, from 1st July, 1933 to 30th June, 1934, 1072 proposals were received for assurances amounting to Rs. 8,96,950. Out of these and also the proposals pending at the beginning of the year, 816 proposals assuring a sum of Rs. 6,66,850 resulted in policies. The remaining proposals were either declined, or accepted on terms which were not agreed to by proponents or were awaiting completion.

S. I. C. I. S. ANNUAL REPORT AND AUDIT CERTIFICATE

The total assurance in the books of the Society as on 30th June 1934 amounted to Rs. 13,00,350.

The Society has 1311 members, who have subscribed to the share capital of the Society Rs. 42,999 comprising of 1276 individuals holding 5099 shares, 35 institutions holding 37,900 shares. The value of each share is rupee one, which is fully paid up.

The Society's Consulting Actuary, Prof. K. B. Madhava, to whom a copy of the draft report and annual statements were sent for perusal observes:—

“The report and the draft accounts you sent me form most interesting record of very successful and brilliant work done in a period not altogether very prosperous or kind to insurance and finance.”

Coming into existence in the days of unprecedented economic depression and experiencing keen competition, if our infant society is able to show such satisfactory progress during these two years of its career, it is the Interim Board of Management, which boldly bore the very onerous duty of starting the Society on its work, and running it on sound lines, the field staff which is mainly responsible for putting the business on the Society's books and the numerous policy-holders who are the mainstay of the Society, that deserve sincere thanks. We wish also to express our feeling of appreciation for the valuable services rendered to the society, by Messrs. V. Venkatasubbaiya and V. C. Rangaswamy as members of the Interim Board.

The fact, that in spite of the widespread general economic depression and limiting the maximum assuring capacity on any one single life at Rs. 5,000, the Society is able to show substantial increase in its business, is a convincing proof of the growing popularity of co-operative insurance.

The total revenue for the year as per the revenue account amounts to Rs. 49,320-10-6 which includes all premiums, entrance fees, alteration fees, revival fee, interest etc., as against an income of Rs. 28,583-8-9 of the preceeding period.

Claims.—Since the commencement of the Society's business ten claims to an aggregate of Rs. 10,300 were intimated till 30th June, 1934, out of which Rs. 9,500 became payable as per the rules of the

THE MADRAS JOURNAL OF CO-OPERATION

Society. Two claims for Rs. 2,000 were settled and the remaining 6 are pending settlement for production of further particulars by the respective claimants. The prompt manner in which the Society has settled the two claims was well appreciated.

Life Fund.—The Life Fund of the Society at the end of the second year stands at Rs. 11,459-5-11.

V. RAMADAS PANTULU (*President*)).
T. A. RAMALINGAM CHETTIAR
S. K. YEGNANARAYANA IYER
R. B. SHAH
C. GOPAL MENON
C. SUBBA RAO
V. VIYYANNA
N. SATYANARAYANA

Directors.

S I. C. I. S. ANNUAL REPORT AND AUDIT CERTIFICATE

AUDIT CERTIFICATE

BY

T. AUSTIN ESQ., I.C.S.

Registrar of Co-operative Societies, Madras.

ON THE ACCOUNTS OF THE

South India Co-operative Insurance Society, Ltd., Madras.

For the year ending, 30-6-1934.

The accounts of the South India Co-operative Insurance Society, Ltd., Madras, for the year ending 30-6-1934 as audited by Messrs. Choudary and Brahmayya, Incorporated Accountants and Auditors are approved. The statements of (1) Receipts and Disbursements, (2) Revenue Account and (3) the Balance Sheet as furnished by the Auditors, are appended to this certificate.

There were on 30th June 1934, 1311 members with a share capital of Rs. 42,999 as against 605 members with a share capital of Rs. 41,111 on the corresponding date of the previous year. Of the amount held at the end of the year, Rs. 37,900 were held by 35 Societies and the balance by individual members

The Society received during the year 1072 proposals for the value of Rs. 8,96,950 out of which 816 policies aggregating to Rs. 6,66,850 were issued. Claims in 8 policies aggregating to Rs. 8,500 have been intimated to the society on account of the death of the policy-holders. Out of this one claim to the value of Rs. 500 is not payable owing to the death of the assured, when the policy was not in force. Two claims to the extent of Rs. 2,000 were paid off during the year. Thus, together with the claims pending payment at the beginning of the year, the society had to pay Rs. 7,500 on the last date of the year. The total life assurance business in the books of the Society at the end of the year amounted to Rs. 13,00,350 in 1453 policies.

The progress of the Society continues to be satisfactory.

T. AUSTIN,
21-9-34,
Registrar.

(True copy.)

(By Order)
O. VENUGOPAL RAO,
28-9-34
Manager

THE SOUTH INDIA CO-OPERATIVE

	Revenue Account for the			First		
	Rs.	A.	P.	Rs.	A.	P.
Funds at the beginning of the year.						
Life Assurance Fund	...			2,503	12	1
Working Fund	...	768	4 10			
Less honorariums—						
Medical Referee Rs. 600	0	0				
Auditors „ 100	0	0		700	0	0
				68	4	10
Premiums actually received						
* Life Assurance Fund	...	16,841	7 7			
Working Fund	...	30,277	9 5			
				47,119	1	0
** Outstanding premiums and instalments of premiums which have actually fallen due for payment but in respect of which the period during which payment may be made without penalty did not expire on 30th June 1934	...	3,427	4 0			
Outstanding premiums and instalments of premiums in respect of which the period during which payment may be made without penalty has expired on 30th June 1934	...	1,560	12 0	52,107	1	0
Interest received and accrued		2,113	6 2			
Less Income-tax	...	177	12 8			
Entrance Fees				1,935	9	6
Revival, Alteration & Assignment Fees				132	4	0
				133	12	0
Single premium	Rs. A. P.					
First year premiums	29,933	12	0			
Yearly renewals	22,173	5	0			
				52,107	1	0
				56,880	11	5

* Indicates that the item relates to the Life Assurance Fund.
 ** Indicates that the outstanding premiums have been included in both sides of the Revenue Account. They are not included in the Life Assurance Fund as per bye-law No. 56 (A) of the Society.

INSURANCE SOCIETY, LTD., MADRAS.

Schedule.

period ending 30th June 1934.

	Rs.	A.	P.	Rs.	A.	P.
*Claims under policies paid and Outstanding.						
By death	...			8,000	0	0

Expenses of Management

Commission to Agents	...	8,413	14	1		
Agents' & Canvassers' allowance	...	2,350	4	0		
Salaries of staff including commission paid to Secretary	...	8,704	10	0		
Travelling Expenses	...	1,636	5	0		
Medical Fees	...	4,219	3	0		
Rent	...	1,125	0	0		
Advertisement	...	797	14	0		
Printing and Stationery	...	1,429	10	2		
Postage and Telegrams	...	1,086	4	9		
Telephone charges	...	238	13	0		
Electric charges	...	178	5	0		
Actuary's remuneration	...	235	8	6		
Auditor's remuneration	...	250	0	0		
Miscellaneous and contingencies.	...	432	8	3		
					31,098	3 9

Other expenses

Subscription to the Madras Provincial Co-operative Union	...				100	0 0
Depreciation	...				255	11 9

Outstanding premiums as per contra Funds at the end of the period.

Working Fund	...	979	6	0		
Life Assurance Fund	...	11,459	5	11	12,438	11 11

Total ... 56,880 11 5

Examined and Found Correct.
 CHOUDARY & BRAHMAYYA,
 Incorporated Accountants (London),
 Registered Accountants,
 Auditors.

V. VENKATACHALAM,
 Secretary.

V. RAMADAS PANTULU, (President.)
 T. A. RAMALINGAM CHETTIAR,
 S. K. YEGNANARAYANA IYER,
 R. B. SHAH,
 C. GOPAL MENON,
 C. SUBBA RAO,
 V. VIYYANNA,
 N. SATYANARAYANA,
 Directors.

THE SOUTH INDIA CO-OPERATIVE

Third

Balance

LIABILITIES.	Rs.	A.	P.	Rs.	A.	P.
Funds as per Revenue Account.						
Life Assurance Fund	...	11,459	5 11			
Working Fund	..	979	6 0	12,438	11 11	
Share capital paid up.						
Co-operative Institutions	...	37,900	0 0			
Individuals	..	5,099	0 0	42,999	0 0	
Claims intimated but not paid	...			7,500	0 0	
Security Deposits	...			1,450	0 0	
Premiums and other Deposits	...			1,640	2 0	
Outstanding charges	...			7,588	11 8	
Outstanding premiums as per contra	...			4,988	0 0	
Vide Notes to Revenue Account	...					
Total	...			78,604	9 7	

AUDITORS' REPORT.

We have audited the above Balance Sheet as at 30th June, 1934, with the books and vouchers relating thereto and have obtained all the information and explanations we have required.

The provisions of the Indian Life Assurance Companies Rules, 1930, so far as they affect the accounts have been complied with.

The interest on 3 per cent G. P. Notes from 1st September, 1933 to 30th June 1934 of the face value of 5,500 less income-tax thereon is added to the Life Assurance Fund as per bye-law No. 56-A of the Society.

We have personally verified the investments of the Society with securities and other vouchers relating thereto and they were found to be in order.

Rupees five thousand is invested in 6 per cent debentures of the Madras Co-operative Central Land Mortgage Bank Ltd., in which one of the Directors of this Society is also a Director.

We beg to report that the said Balance Sheet is, in our opinion, drawn up in conformity with the law, and it exhibits a true and correct view of the State of the Society's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Society.

CHOUDARY & BRAHMAYYA,
Incorporated Accountants (London.)
Registered Accountants.
Auditors.

V. VENKATACHALAM,
Secretary.

V. RAMADAS PANTULU, (President.)
T. A. RAMALINGAM CHETTIAR,
S. K. YEGNANARAYANA IYER
R. B. SHAH,
C. GOPAL MENON,
C. SUBBA RAO.
V. VIYYANNA,
N. SATYANARAYANA,
Directors.

INSURANCE SOCIETY, LTD., MADRAS.

Schedule.

Sheet as on 30th June 1934.

	Rs.	A.	P.	Rs.	A.	P.
ASSETS.						
Investments.						
Deposits with the Controller of Currency	...					
Rs. 15,000—3½% Govt. paper (at cost)	...					
Rs. 20,450—3% Govt. paper (at cost)	...			19,816	7 0	
Indian Government Securities.						
Rs. 4,000—3% Government paper	2,951	14	0			
Rs. 10,000—Post Office 5 years cash certificates (at cost)	7,500	0	0	10,451	14 0	
Rs. 5,000—6% debentures of the Madras Co-operative Central Land Mortgage Bank, Ltd., (at cost)				5,000	0 0	
Shares in Central Co-operative Printing Works, Ltd., (at cost)				100	0 0	
Rs. 5,000—5 years Thrift certificates of the Madras Dt. Co-operative Central Bank, Ltd.				3,750	0 0	
Fixed Deposit with the Madras Dt. Co-operative Central Bank, Ltd.				3,000	0 0	
Stock of printed paper on hand				1,416	11 3	
Furniture and fittings (Less depreciation)				3,154	1 11	
Library				238	11 0	
Medical Equipment				91	4 9	
Blocks and drawings				127	8 0	
Interest accrued and outstanding				1,002	12 0	
Sundry advances				299	12 6	
Agents' balances				407	11 0	
Expenses paid in advance				1,328	0 0	
*Outstanding premiums as per contra				4,988	0 0	
Cash with agents				295	8 0	
Cash in current accounts with Co-operative Banks				22,767	0 5	
Cash at office				369	3 9	
Total				78,604	9 7	

THE SOUTH INDIA CO-OPERATIVE INSURANCE SOCIETY, LIMITED.
New Policies of Assurance in respect of which a premium has been paid during the year ending 30th June, 1934.

S. No.	Description of Assurances.	No. of Policies.	Sum Assured.	Amount received by way of Single Premium.	Amount of yearly Renewal Premium Income.
			Rs. A. P.	Rs.	Rs. A. P.
1	Whole Life	...	26,100 0 0	Nil.	926 4 0
2	Whole Life Limited Payments	20	46,500 0 0	...	2,004 13 0
3	Endowment	57	5,76,850 0 0	...	30,727 3 0
4	Double Endowment	717	2,900 0 0	...	405 10 0
5	Triple Benefit	6	12,000 0 0	...	703 4 0
6	Children's Endowment	13	2,500 0 0	...	155 12 0
		3	6,66,850 0 0	...	34,927 14 0
		816	6,66,850 0 0	...	34,927 14 0

NOTE :—No portion of the above risks was reinsured.

Statement under clause (c) of section 7 (1) of the Indian Life Assurance Companies Act, 1912 for the year ending 30th June, 1934.

New Life Assurance business in respect of which a premium has been paid in the year.		Total Life Assurance Business in force at the end of the year.		Claims effected in India paid to claimants in the year.	
No. of Policies.	Sums Assured.	Single Premium.	Yearly renewal Premium Income.	No. of Policies.	Sums Assured.
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.

Ordinary Policies.	816	Rs. 6,66,850	Rs. Nil.	1,453	Rs. 13,00,350	Rs. 47,119 1	...
In India	...	...	...	...	...	...	...
Outside India	...	...	...	...	...	...	...
	816	6,66,850	...	1,453	13,00,350	47,119 1	...

CLAIMS.

In India. By death.	...	...	...	...	Rs. 2,000
By Maturity.	...	...	...	...	Nil
					Rs. 2,000

THE SOUTH INDIA CO-OPERATIVE INSURANCE SOCIETY, LTD., MADRAS.

Statement under Clause (f) of Section 7 (1) Indian Life Assurance Companies Act, 1912.
Classified Summary of Indian Assets of the Society, as on 30th June, 1934.

Serial Number.	CLASS OF ASSETS.	Face values.	Value for which credit is taken in the Balance Sheet as on 30th June 1934.	Market value ascertained from published quotations the lowest thereof is being taken in each case. These do not include any accrued interest.	Remarks.
		Rs.	Rs. A. P.	Rs. A. P.	Rs.
1	3½ % Govt. paper with the Controller of Currency	*15,000	8,306 4 0	13,200 0 0	*88 0 0
2	do.	*20,450	11,510 3 0	15,510 3 0	...
3	3 % Govt. paper (with office)	...	...	3,017 8 0	*75 7 0
4	Five years Post Office Cash Certificates	4,000	2,951 14 0	7,500 0 0	(Published quotations as on 30-6-34)
5	Rupees Five thousand 6% Debentures with the Madras Central Co-operative Land Mortgage Bank, Limited	10,000	7,500 0 0	5,000 0 0	...
6	Rupees Five thousand five years Thrift Certificates of the Madras District Co-operative Central Bank, Limited	5,000	3,750 0 0	3,750 0 0	...
7	Shares in Co-operative Central Printing Works, Limited	100	100 0 0	100 0 0	...
8	Fixed Deposit with Madras Dt. Co-op. Central Bank, Ltd.	3,000	3,000 0 0	3,000 0 0	...
9	Agents' Balances and Sundry Advances	...	707 7 6	707 7 6	...
10	Outstanding Premiums	...	4,988 0 0	4,988 0 0	...
11	Interest accrued and outstanding	...	1,002 12 0	1,002 12 0	...
12	Other Assets— Stock of Printed Paper on hand, Furniture and Fittings Library, Medical Equipment, Blocks and Drawings ...	...	4,028 4 11	4,028 4 11	...
13	Cash on hand and in Current Account with other Co-op. Bks. and with agents.	...	23,431 12 2	23,431 12 2	...
			76,286 9 7	85,235 15 7	...

V. VENKATACHALAM,
Secretary.

C. 2158/34.

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES, MADRAS.
Dated 9th May 1934.

M.R.Ry. RAO BAHADUR K. DEIVASIKHAMANI MUDALIAR AVL.,
Registrar.

CIRCULAR.

*The South India Co-operative Insurance Society, Limited—Diversion of
Provident Fund of Employees of Co-operative Institutions
towards premia.*

In Registrar's Circular No. C-2830-33, dated 13th May 1933, it was brought to the notice of the Deputy Registrars and Central Banks that the South India Co-operative Insurance Society requires encouragement at the hands of the officials and non-officials and members and employees of Co-operative Institutions.

It has been brought to the notice of the Registrar that some of the employees of the Central Banks, in sending proposals to the Society for assurance on their lives, have requested the authorities of the Banks to divert the employees' portion of contribution to Provident Fund towards premia on their Policies, and that some of the Central Banks have already accepted this proposal because the Policies are endorsed in favour of the Bank by the assured in such cases.

The Co-operative Institutions in this Presidency are informed that there is no audit objection to divert the employees' portion of contribution to provident fund towards premia on their policies.

K. DEIVASIKHAMANI,
Registrar.

*Letter of appreciation from the Chairman, Municipal Council,
Berhampore.*

To

The Secretary,

The South India Co-operative Insurance Society, Ltd.,
Post Box No. 182, Madras.

Sir,

Subject:—Claim on Policy No. 400—regarding Late Sjt. Ramachandra Acharya, Headmaster, M. O. M. School.

Reference:—Your letter D. No. 2190/33-34 dated 20th March 1934.

I acknowledge with thanks the receipt of Cheque No. AO4258 dated 20-3-1934 for Rs. 1,000 drawn in my favour on the Ganjam District Co-operative Banking Union, Ltd., towards full settlement of the claims under reference.

In this connection, please permit me to mention that my office received all possible assistance from your Inspector whom you deputed to enquire into the claim and for arranging to the speedy despatch of the concerned papers duly completed. It is highly gratifying to note that the Society has despatched a cheque on the Local Co-operative Bank for the claim amount within a week of the receipt of the papers from my office.

The Society is to be highly commended for the prompt and expeditious manner in which the claim has been settled. I wish the Society all success.

A stamped receipt for Rs. 1,000 is herewith sent.

(Sd.) G. BALARAMADAS,
Chairman.

Resolutions adopted by
THE FOURTEENTH INTERNATIONAL
CO-OPERATIVE CONGRESS.

London, 4th to 7th September, 1934.

I. Report of the Central Committee.

That the Report of the Central Committee on the work of the International Co-operative Alliance during the years 1930-1933, together with the concluding statement on the Future Orientation of the I. C. A. be adopted.

II. The Present Application of the Rochdale Principles.

That the Report of the Special Committee appointed to enquire into the Application of the Rochdale Principles be referred back for further consideration.

III. The International Co-operative Movement and Universal Peace.

Faithful to its Traditions, to its Principles and the Resolutions of its Congresses, the International Co-operative Alliance once again declares its indissoluble attachment to the cause of Peace and Disarmament.

It counts with complete confidence on all Co-operators in every country of the world to use every means and take advantage of every appropriate opportunity to obtain and safeguard a durable and universal Peace.

IV. The Leisure of Producers and Consumers.

The Congress of the International Co-operative Alliance requests the Central Committee to make an enquiry from all its affiliated Organisations as to the means that they have employed, and the results that they have obtained, in the organisation of the leisure of consumers and producers, either by special Societies for that purpose or by auxiliary institutions, and what are their proposals and plans for the future.

The Congress also requests the Central Committee to organise regular International Co-operative Conferences, similar to those for the Press and Education, which will afford an opportunity for considering experiences, stimulating initiative, directing and defining all the forms of the Organisation of Leisure which are possible for Co-operation.

V. International Co-operative Economic Policy.

The economic policy of the Co-operative movement is based on the principle that the common interests of the consumers and producers in all countries form the most secure foundation for a new economic and social order and one of the surest guarantees for the future peace of the world.

The International Co-operative Alliance—(Central Organ of the World Organisation of Co-operative Societies), therefore, aims at promoting these objects by the realisation of the following.

ECONOMIC PROGRAMME.

1. Problems of Co-operative Distribution.

The development of improved forms of distribution and the application of the newest methods and most practical devices which, by the rationalisation and the standardisation of products, will satisfy the maximum needs of the consumer.

2. Problems of Co-operative Production.

The promotion of co-operative production, nationally and internationally, co-extensively with the organisations of consumption and distribution.

3. Problems of Co-operative Co-ordination.

The establishment of international business organisations on a mutual basis for trading and production and, as stepping stones to their realisation, the exchange of goods between National Movements and the adoption of systems of collective purchase.

The promotion of direct relations between the various Organisations of Consumers and Producers by Joint Committees for directing policy and commercial relations, orderly marketing of agricultural produce, etc.

4. New Forms of Industrial Production.

The application of rationalisation to co-operative enterprise as a technical system of the scientific organisation of labour; standardisation of material and of products, and the simplification of processes.

5. The Problem of the Raw Materials.

The investigation of the sources of the raw materials of industry, the conditions under which their distribution takes place, and the initiation of improvements in the interests of consumers.

6. The Problem of International Exchange.

The gradual development of the international exchange of goods labour and capital, on the basis of the mutual satisfaction of common needs and the exclusion of the profit-making motive.

7. Problems of Finance and Credit.

The establishment of international co-operative banking and assurance on a mutual basis which will satisfy the needs of short, medium and long term credit, and, as steps to the achievement of that object, the closest relations between existing National Co-operative Banks with a view to the evolution of uniform methods of business organisation and the exclusive use of Co-operative Banks for co-operative operations.

VI. Amendments to the Rules of the I. C. A.

"RATE OF SUBSCRIPTION."

Article 16.

II. Individual Membership.

The minimum subscriptions for each National Organisation admitted under sub-sections (a) and (b), Regional Organisations admitted

RESOLUTIONS

under sub-section (c), and National Auxiliary Organisations admitted under sub-section (e) of Article 8 shall be £ 20.

The minimum subscription for each Society admitted under sub-section (d) of Article 8 shall be in accordance with the following scale :—

£ 1.	1s.	If the membership does not exceed ...	1,000	
£ 2.	2s.	" is between ...	1,001 and	3,000
£ 3.	3s.	" " ...	3,001 "	5,000
£ 5.	5s.	" " ...	5,001 "	10,000
£ 10.	10s.	" " ...	10,001 "	25,000
£ 15.	0s.	" " ...	25,001 "	50,000
£ 20.	0s.	" " ...	50,001 "	100,000
£ 40.	0s.	" " ...	100,001 "	200,000
£ 50.	0s.	" more than ...	200,000	

III. Collective Membership.

Collective membership—or the admission of a National Union or Federation with all its constituent members on a basis that accords the privileges of membership to each of the latter—is acquired by a minimum subscription of £ 20 in respect of the Union or Federation concerned, and a further £ 10 in respect of each National Organisation included in its membership, with the addition of a contribution for each other constituent Society member in accordance with the following scale :—

1s. 0d.	If the average number of members does not exceed	300
2s. 6d.	" is between	301 and 600
5s. 0d.	" " ...	601 " 1,000
7s. 6d.	" " ...	1,001 " 2,000
10s. 0d.	" " ...	2,001 " 3,000
12s. 6d.	" " ...	3,001 " 5,000
15s. 0d.	" exceeds	5,000

IV. The standard of all subscriptions shall be the £ gold.

VII. The Role of International Co-operation in Present Day Economic Development.

The International Co-operative Alliance, which is an association of National Co-operative Organisations mutually independent and autonomous in their relation to the Alliance, seeks to assist the member Organisations, each in its own country, in their endeavours to raise the national standard of living and to promote the sound development of national economic life.

In pursuit of these aims, the Congress declares :—

1. That the Co-operative Movement, nationally organised, should continue its successful work for the promotion of the interests of the affiliated members by effectively organising the productions of its members and the marketing of their products, or supplying their needs as consumers either of household goods or necessities needed in their occupations, these activities to be carried on in true adherence to the Rochdale Principles, successfully established during the past century.

2. That the Co-operative Movement in every country should serve as a protection to producer and consumer against the exploitation of those capitalist combines which carry on a ruthless policy of high prices for goods necessary to their existence either as consumers or producers, a policy which, by extending the margin between the retail price and the price of the raw materials, reduces consumption and affects employment in a way detrimental to the interests of national economic life.

3. That the measures taken by Consumers' Organisations in different countries to assist farmers and other small producers in their depressed conditions of life should be continued in a manner well adapted to the purpose, in the first place by the creation and maintenance of the closest possible relations between Co-operative Organisations of Producers and Consumers.

4. That the National Co-operative Wholesale Societies should energetically continue their exertions to build up a powerful international economic organisation (I.C.W.S.), which will thus be able to assist the activities of the member-organisations to an ever increasing extent and contribute to an increase in the interchange of goods between the countries of the world.

5. That the International Co-operative Alliance, which has been in uninterrupted activity since 1895 with a view to bringing Co-operators all over the world into closer contact with each other, is, in fact, well adapted to render effective assistance to the National Co-operative Organisations in their endeavours by establishing or further developing a regular interchange of experience and ideas in matters relating to legislation, organisation, administration, technical and scientific progress, education, press and propaganda. Also, by carefully following the international advance of such developments in private economic life as are of special importance to the Co-operative Organisations and their members (e.g., cartels, trusts, large-scale retailing organisations), the I.C.A. is designed to make an important contribution towards the development of National and, consequently, also International Co-operation.

The Congress, therefore, calls upon the constituent National Movements to have recourse to the forces and resources of the International Co-operative Alliance in the highest possible degree and to contribute by all means in their power to increase the capacity of the Alliance to assist the constituent Organisations in their work of realising the economic ideas inherent in Co-operation.

RESOLUTIONS

ADOPTED AT

THE INTERNATIONAL CO-OPERATIVE WOMENS' CONFERENCE.

London August 30th & 31st 1934.

Present Economic Tendencies.

This International Conference of Co-operative Women meeting in London on August 30th 1934:

RESOLUTIONS

Having considered, the Report submitted to it on Present Economic Tendencies,

Believes, that the efforts of the housewife to fulfil her social duty of adequately providing for her family will be seriously impeded through the restriction of supplies, rise of prices and interference with standards of quality consequent on recent measures designed to protect the home producer, as well as by the growing control over the organisation of economic life which these measures have placed in the hands producing and financing interests:

Views, with great concern the prospect that housewives, who compose the largest occupational group in the world, on whose unpaid services every generation depends, may be excluded from participation in the conduct of public affairs by the spread of a form of State based on associations of money-earning interests, and

Being convinced, that the Co-operative Movement, which trades without profit, is open to all, and is controlled by the consumers whom it serves, is the only effective protector of the housewife,

Declares, the determined opposition of the millions of housewives connected with the Co-operative Movement to all measures that restrict its operations or hamper its development,

Calls upon, all housewives inside and outside the Movement to recognise it as their ally and rally to its defence, and

Adopts, as a programme of practical action the Two Years Plan outlined in the Report.

Proposed by the Committee.

The Meaning of International Co-operation for Women.

The International Co-operative Movement has the great task of helping to evolve a new social and economic order, and a community of all nations. Man's longing for brotherhood, security and peace can only be fulfilled if he succeeds, in spite of all national and economic obstacles, in building up a new economic system by which all are served and all assured of the greatest measure of security and personal freedom. The Co-operative Movement is furthering the attainment of this ideal by connecting the simplest practical methods with the highest ideals and aims. Herein lies its great ethical and economic significance.

The cause of peace and understanding between nations transcends all national interest and any attainment of economic power by individual nations. If we are to reach this goal, then we must strive to create a system of international justice and an organisation for its administration with authority over all nations, and we ourselves must fulfil our world-wide international tasks in the Co-operative Movement and in our own international women's organisation. The national development of the Movement is not enough. To achieve our international purpose we must also build up international undertakings.

Recognising these facts this International Conference asks in the name of Co-operative women that more rapid and definite steps should

be taken, in spite of all existing difficulties, to fulfil the great tasks of constructing international factories owned by all the Movements in common, and creating an efficient International Wholesale Society, an International Bank and an International Assurance Society, which will support and help to develop all the national Movements.

It pledges the active help of the housewives in this task and,

(1) *Calls upon*, all co-operative women through their national and local organisations to give full and unceasing moral and material support to their own International Guild, and develop it until it is co-extensive with that world of women embraced by the International Co-operative Movement, and

(2) *Charges*, the International Guild to continue its efforts to link up the great mass of women with the high ideals of International Co-operation and so make it possible to lay the foundations of an internationally controlled economy and of international justice the indispensable conditions of true understanding and to realise mankind's ideal of peace and brotherhood among all nations and all men.

Proposed by the Committee.

INTERNATIONAL CO-OPERATIVE WOMEN'S CONFERENCE, 1934.

EMERGENCY RESOLUTION ON THE NEXT STEP TOWARDS INTERNATIONAL PEACE.

This International Conference of Co-operative Women, speaking on behalf of millions of mothers united in the Co-operative Movement throughout the world, reaffirms their unalterable opposition to war in all its forms, and their demand for complete and universal disarmament by water, land and air.

It sees with horror the rush of events towards a new war, in which civilisation itself and all the most precious achievements of humanity in its age-long ascent may perish in the indiscriminate slaughter and destruction of modern mechanical warfare, and it calls on the women of the world to make a supreme effort to avert this tragedy and bring home to the rulers of the nations that they can and must make an end of war before it overwhelms mankind. To this end it urges women to devise fresh and arresting methods of convincing Governments that any attempt to delude the people into accepting another war as inevitable will meet with the uncompromising resistance of women.

It calls upon all Guilds to convince women that the struggle against war and against the continuance of armaments is essential, and to make them fully conscious of the dangers of a new war so that they may organise a tireless campaign against the military propaganda that is poisoning the mind of mankind and especially of the young, who must be imbued with the co-operative ideal which is in itself a factor for peace.

It recalls the fact that a quarter of the world's inhabitants have expressed to the President of the Disarmament Conference their ardent desire for Disarmament, and it expresses its indignation and its shame that vested interests dealing in death should have been able so far to prevail over the responsible rulers of mankind that, contrary to their high professions and large promises in the early stages of the Disarmament Conference, Governments have flouted this expression of their people's will, and have embarked on a new race in armaments the disastrous consequences of which their own spokesmen have admitted.

It demands from all nations immediate action, already initiated by the United States of America, for the purpose of abolishing the making of profits from war, and calls upon every individual and every organisation with a social conscience, and particularly upon the Co-operative Movement, which stands for the abolition of all profit-making, to give their active support to every step towards this end.

Further, realising that the abortive attempts to bring about international goodwill and economic prosperity, and the re-actionary developments which have followed, have created a dangerous tension in the public mind, and being convinced that no political or economic measures which ignore the psychological situation or are out of accord with its demands can succeed in assuring peace and prosperity to the world, this Conference emphasises the importance:

1. Of an immediate scientific examination by social psychologists of the measures needed from this point of view to prevent war and restore confidence and collaboration among the nations.

2. Of directing public sentiment into international and co-operative channels by providing through organised international service outlets for the unapplied energies and spirit of self-sacrifice existing in every country especially among the young.

The Conference instructs the Committee to bring these decisions to the attention of all appropriate bodies and particularly of the women's organisations, with a view to common action on these lines.

THE MADRAS AGRICULTURAL JOURNAL.

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MANAGER

The Madras Agricultural Journal.

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Lawley Road P. O. Coimbatore.

Recent Utterances.

FOURTH ANNUAL GENERAL MEETING OF THE BOMBAY CO-OPERATIVE INSURANCE SOCIETY, LTD.

28-7-1934.

PRESIDENT PROF. H. L. KAJI'S SPEECH.
GENTLEMEN,

It is with very great pleasure that I present to you the Annual Report of the Board of Directors and the Audited Statement of Accounts of your Society for the year ending 31st March 1934.

It will give you satisfaction as it does to your Board of Directors to note that your Society has been progressing year after year so that the total business secured exceeds Rs. 10,00,000 and the Life Insurance Fund has mounted upto about Rs. 28,000. Our investments have also been prudent so that the appreciation in the securities gives us a profit of more than Rs. 8,000. The results of the First Triennial Valuation have as you are aware been extremely satisfactory in that we have been able to declare a bonus of Rs. 10 per annum per thousand for the first triennium of our existence. No small achievement for a Society like ours, started purely without any share capital and worked in a co-operative spirit, utilising honorary services wherever compatible with business efficiency and thus keeping down the expense ratio.

The growth of business has been so marked in the past few months that it has been considered necessary for the continued efficiency of the management and the progressive development of its business to appoint a Managing Director from July of this year. I am glad to inform you that we have been able to secure as our Managing Director, Mr. Chunilal D. Barfivala, M.A., L.L.B., whose services to the cause of local Self-Government as Secretary of the Bombay Presidency Local Self-Government Institute and President of the Bombay Suburban District Local Board are so well known that under him I have no doubt that the efficiency of our office will increase and the pace of development will further be stimulated consistently with prudence and safety. I must thank Mr. Punjabi, the Registrar of Co-operative Societies Bombay Presidency, for his sympathies and assistance to us. He has kindly allowed us the use of a room in the flat occupied by him in the Sir Vithaldas Building, but with the expansion of business it has become necessary to engage a larger staff and therefore to secure more commodious premises for our Society. Our Chief Organisers

RECENT UTTERANCES

Messrs Rulkarni & Co. will continue to make use of the room hitherto occupied by us as our office and we have rented a part of the third floor of the Sir Vithaldas Building for our Head Office.

I have often been asked by friends how co-operative insurance differs from ordinary insurance. I might well ask how does a co-operative bank differ from an ordinary bank. The difference in both cases obviously lies in so conducting our business as to be increasingly useful to the small man in towns and villages whose interests are not attended to by the ordinary joint stock concerns. We co-operative institutions deal largely with the small man and it is our object to provide facilities to him as far as possible. While thus not ignoring the interests of the richer classes, we attempt to reach ever more and more the small man and this we attempt to do as far as possible through the agency of his co-operative society. The profits of the business as disclosed at periodic valuations wholly go to policy-holders to whom thus insurance—is cheapened. It will be therefore of interest to you to know that we are succeeding more and more in reaching the small man through his co-operative society as shown by the fact that 50 per cent of our business last year came through co-operative societies in the different parts of the Presidency.

While this is satisfactory enough, I cannot but express my opinion that the insurance-sense requires yet to be carefully cultivated in the small man. The importance of insurance in the field of commerce is being recognised ever more and more. You would not think of sending your merchandise by boat unless you have taken out a marine insurance policy; you would not think of storing your goods in a godown unless it was insured against the risks of fire and yet there are many who launch themselves on the ocean of life in the frail boats of their body without the common sense precaution of insuring their safe passage, through the stormy waters where accidents and ship wrecks are perhaps more numerous and where the results are more catastrophic to those they leave behind. Insurance to my mind is not a question of whether we can or cannot afford to pay premia. It is the prime duty irrespective of the question of affording the necessary periodical expenditure, the duty that one owes to oneself, to his wife and children, as also to his creditors and all those who are interested or have an insurable interest in his life.

To the co-operators, insurance ought normally to appeal at once as a very sacred duty. They are wedded to the practice of thrift that being one of the cardinal tenets of the co-operative movement and they rely upon their own savings resulting from the practice of thrift to weather the storms of life. Insurance however pools the savings of many and

makes them available to all in turn as they one after the other get engulfed in the waters they are braving, when this is so, how can there be a man who calls himself a co-operator. Who signs his articles of faith in thrift, and yet who does not deem it incumbent on him to pool his resources with those of others, so that not only his own savings but those of others, for that is the essence of insurance, would be at his service in the event of old age or premature death. It is not a question of whether a co-operator can afford to take out a life policy: he must afford it. He may pinch elsewhere, save a few rupees here and there, but this duty of providing for himself and for all others, in whom he is interested and who are interested in him, must be performed.

I have no doubt with increasing education the realization of the supreme importance of insurance will dawn with greater and greater force on the small man the co-operator.

The object of our Society is not, as I understand it, to secure business for itself, make profits, build up reserves and insurance funds, but to be the essential adjunct to co-operative credit so predominant a feature of the Movement in India. Insurance would remove at least some of the causes that lead to the growing indebtedness of the agriculturists; a life policy would make it unnecessary for the son to borrow from the sowcar or the co-operative society for expenses in connection with the funeral ceremonies and feasts of the father. A marriage policy would similarly make it unnecessary for the parent to resort to the money lender for expenses on wedding. Unproductive expenditure as these are could be best met by insurance, a higher development of thrift, than by borrowings which can only be justified when used productively.

I understand we in Bombay are embarking on the development of Land Mortgage Banking and surely when the repayments are spread over a long series of years, insurance must be called to its aid to safeguard the interests of all concerned. I trust the powers that be will insist on the borrowers taking out a policy and I think I may safely promise that our Society will do all in its power to give all possible facilities to them. A very large field of business thus opens out before your Society which will be valuable not so much in my opinion for the amount of business that may be secured from year to year but for the opportunities that it would give us of carrying the message of insurance to the masses in the rural areas.

Before I conclude I must regretfully refer to the resignation of Mr. K. C. Desai as the Hon. Secretary of our Society. He was one of the founders of our Society and his experience of insurance matters has been an invaluable asset to us in the early stages as also later. He has been a very good co-operator in the real sense of the word, for though actively associated with a well known Insurance Company, he has given his best to enable our young co-operative enterprise to start on correct lines and to develop slowly and steadily. His ill-health made difficult for him to attend to our work in recent months but he did not like to leave us in the lurch till we had made some other arrangements for carrying on the work, so that he seized the opportunity of the appointment of a Managing Director to resign as our Secretary. I am grateful to him for all the assistance that he gave me and I beg to thank him on my as well as on your behalf very sincerely.

Correspondence.

THE MADRAS PROVINCIAL NON-CREDIT CO-OPERATIVE SOCIETIES CONFERENCE.

Mr. E. S. Sunda, B.A., B.L., F.A.U., President of the Madura, Ramnad Central Co-operative Bank writes:—

There has been an uniform feeling for some years that the problem of Non-credit Co-operative Societies have not been receiving the due attention in the Conferences held in different places. But the idea of having a separate sectional Conference did not appeal to many as that was likely to disintegrate the few co-operative workers.

All the same, these days of economic depression and acute town congestion have been very often bringing forward these questions for immediate consideration. Opinion was generally divided how far the Agricultural, Industrial and Co-operative Departments can co-operate with non-officials to work and draw up a ready programme to meet the new situation.

Economic forces are imperceptible and evade the grasp and control of all. How best to harness them and how to keep them under check for effective use, have been engaging the attention of all.

The Madura Co-operators have planned a District Conference. They received requisitions meanwhile to exploit the possibility of running a Non-Credit Co-operative Societies Conference. It is not without demur that they agreed to the request.

To conduct this Conference now is a necessity. In fact the stores and sale societies' problems have to be talked over and solutions arrived at.

When the Government is now planning for marketing of goods and is proposing marketing surveys, it is but natural, if not necessary that the Co-operators meet and say how they could help the Government and how such things ought to be done.

Whether this Conference is to be annual gathering or no a matter to be decided later—this has to meet this year in view of the things the Government both Provincial and local, have on anvil and a Conference with resolution will only arouse the Government in their endeavours to help the ryots.

The inauguration of the Reserve Bank should be a milestone in the resuscitation of the life of the ryot. How best the rural section of the Bank can be availed of, how it should be composed, what sorts of efficient help it ought to give, without being a mere storehouse of information or Information Bureau, are matters that ought to be thought of and resolved upon.

So it has been found necessary to convene this Conference. All Non-Credit Societies (Stores-Loan and Sale-Industrial-Trading and Building etc.) in the Province are requested to participate and send their views to the undersigned and make the Conference a success.

Reviews.

YEAR-BOOK OF AGRICULTURAL CO-OPERATION, 1934.

Edited by the Horace Plunkett Foundation. P. S. King & Son. 12s. 6d. net.

This year-book which was received by us rather late maintains the high standard set up a few years ago and is the best and the most up-to-date reference book of ideas and affairs relating to agricultural co-operation in several parts of the world. India does not, unfortunately, find a place this year; but that does not detract from the value of the publication, which enables one acquainted with our conditions to make a comparative study.

The book opens with a contribution on "Co-operation and the State" and shows how the warning uttered in a previous year that "in emergencies it is State action rather than co-operation, that is likely to be called into play" is being fulfilled. The evolution of State policy from "mild indifference or lofty patronage to something like usurpation" is next traced briefly. While private enterprise has everywhere suffered, co-operation has steadily held its ground in several countries—particularly in Norway, Sweden, Denmark, Holland and Scotland. But the State as trader has been taking the field in one country after another; Queensland, United States, Russia, Ireland, Danubian countries and even Great Britain has suddenly become a "pupil to her own Dominions" and passed the Agricultural Marketing Act, extending political authority and governmental functions in "characteristically unobtrusive English fashion." The English farmer who was in the past said to be too individualistic to co-operate has now submitted to a compulsory control of production and marketing that is virtually dictatorial and savours more of strengthening distributors rather than producers. The failure of co-operative marketing was not the only reason for acceptance of this scheme, so revolutionary in the agricultural and constitutional history of England. Actual distress, the feeling that the alternative to the scheme was collapse and the offer of protectionist control of agriculture, *pace* the hated Ottawa agreement, have all reconciled to the farmer to the idea of Marketing Boards. But without a realisation of appreciable economies in the production, processing and marketing of goods, the scheme will prove an "economic illusion, or a political imposition".

An attractive feature of this Year Book is the inclusion of a Report, of 45 pages, on the Co-operative Marketing of fruits and vegetables, prepared by the Horace Plunkett Foundation for the Berlin Conference of the International Commission of Agriculture in 1933. Horticulture is increasingly resorted to in several countries as a result of the growing demand for fruits and vegetables consequent on new dietetic propaganda and as a relief from the overproduction of cereals and industrial crops. The services rendered by Co-operation in improving standardisation, grading and packing, in the stabilisation of prices by organising the supply to local markets and exporting the surplus, fresh or cured, to foreign lands and the shortcomings yet to be rectified are all dealt with

REVIEWS

in detail, taking one country after another. In addition to the critical appreciation of efforts so far made, the careful reader will find many a helpful suggestion on this, to us at least unexplored, field of co-operation. A mere enumeration of the vital problems suggested, and tackled in part, will indicate the value of the contribution, which is indeed capable of a wider application:—

1. Should societies be local or national, and should a national organisation be centralised or federal? (2) Should societies be specialised or mixed? (3) How far should societies engaged in processing? (4) What is the place of subsidiary organisations for requirements and credit? (5) Should produce be pooled? (6) Should sales be by auction or on consignments? (7) How can the consumer be approached more directly? (8) Can the demand be stimulated by marketing societies? (9) What are the effects of State action by (a) tariffs (b) 'compulsory co-operation'? (10) What is effect of co-operative marketing on price-stabilisation and on production? Limits of space forbid detailed reference to the accounts of the movement in various countries. We should, however, commend to the special attention of our readers some of them. There is a masterly survey of the movement in Scandinavian countries—Norway, Sweden, and Denmark—by Miss. Margaret Digby of the foundation. Of co-operation in Holland Dr. C. Weststrate gives the most confident and optimistic account, showing that "co-operation," well organised and conducted, can stand a lot, and that members realise that at the present crisis "There is no better economic roof over their heads" than co-operation. Curiously enough the most pessimistic account is of the Dutch East Indies by Dr. J. Boeke, who speaks of arrears as the nightmare of credit organisation. "People call them frozen credits but they make the managers perspire"! Mr. W. K. H. Campbell writes on Ceylon and compares the overdues there with those of societies in India "with whom there is always a temptation to make self-satisfied comparisons," though one should not forget that Ceylon has had the "inestimable advantage of learning from the experience of India".

A summary account of the legislation of the year, which is an annual feature, brings up to date our knowledge of Co operative Laws in almost all countries of the world—from Albania to Yugoslavia. We get glimpses of legislation for debt adjustment, more or less drastic in, Canada, U. S. A. Czecho-slovakia, Yugoslavia, Bulgaria and Denmark; while legislators in this country are not prepared for even a moratorium in this acute crisis. Measures of a more permanent character, legislative and administrative, have been taken as regards co-operative sale of produce in almost every country in Europe and in all the European colonies overseas; indeed some of the latter, like Queensland have been pioneers in the field.

The brief and bright survey of books and other publication on Co-operation and allied subjects, which is another annual feature of the year-book, should be very valuable in the selection of additions to the co-operative libraries—though we miss, in the case of some well-reviewed publications, the names of publishers and the prices—which we hope will not be omitted in future year books. K. C. R.

Registrar's Circulars.

No. A. 6974-32.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES,
Madras, 25th September, 1934.

ERRATA.

Subject:—Interest—accrued on fully overdue loans—treatment by Central Banks.

Reference:—Registrar's Circular D. Dis. A. 6974-34 dated 25-6-34.

For
D. Dis. A. 6974-34
In line 4 "the amount"

Read.
D. Dis. A. 6974-32.
"an amount"

D. Dis. B. 5681-34.

Dated 25th September, 1934.

Subject:—Loans—fresh loans and extension for repayment of old loans
—Resolution of the Conference of the Registrars of Co-operative Societies—communicated.

One of the subjects for discussion at the conference of the Registrars of Co-operative Societies held in New Delhi in January last was the prevailing economic depression in relation to the recovery of overdues in co-operative societies and the steps to be adopted by Government and by societies to meet the situation. The conference was of opinion that (a) in view of the present depression, the rate of interest charged by primary societies should be temporarily reduced as far as possible, consistent with the safety of the society even at the cost of not leaving a margin for contribution to the reserve fund; (b) the instalments payable to societies might be spread over a longer period as far as resources would permit; and fresh finance should be given to the members consistent with the safety of the funds.

2. This matter had already been considered by the Registrar and instructions issued on the subject. The attention of the officers of the Department and of the Central Banks is invited to the Registrar's circular R. Dis. B. 1084-34 dated 24-2-34 wherein it was suggested that the rate of interest on loans might be reduced. It is believed that action has been taken on the lines indicated in the circular. As regards the spreading over of the instalments due to societies over a longer period, attention

REGISTRAR'S CIRCULARS

is invited to paragraph 2 of the scheme drawn up by Registrar for adoption by the Central Banks for an examination of all outstanding loans in primary societies. It is believed that, in deserving cases, extensions are being given. While collection of overdues must engage the attention of all Central Banks and societies and new loans should not be issued as freely as in the past, it is necessary that fresh advances should be given to good and deserving members who have been regular in the past, consistent with the safety of funds. If this be done, the surpluses in banks may be absorbed in the movement to some extent.

3. The Registrar trusts that Central Banks and societies will act accordingly.

The following Act of the Indian Legislature received the assent of the Governor General on the 10th August 1934, and is hereby promulgated for general information:—

ACT No. XVIII OF 1934.

An act further to amend the Indian Trusts Act 1882, for a certain purpose.

WHEREAS it is expedient further to amend the Indian Trusts Act 1882, for the purpose hereinafter appearing; It is hereby enacted as follows:—

1. This Act may be called the Indian Trusts (Amendment) Act, 1934.
2. To clause (a) of section 20 of the Indian Trusts Act, 1882, the following proviso shall be added, namely: II of 1882.

"Provided that securities, both the principal whereof and the interest whereon shall have been fully and unconditionally guaranteed by any such Government; shall be deemed, for the purpose of this clause, to be securities of such Government."

G. H. SPENCER,

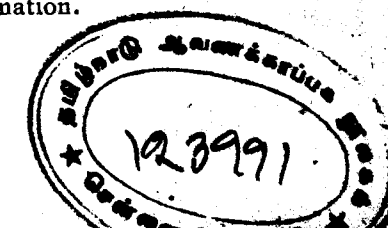
Officiating Secretary to the Govt. of India.

Entd. B. 1. 5708-34.

Dated 3rd October, 1934.

Copy communicated to all Land Mortgage Banks and the Deputy Registrars and Sub-Deputy Registrars in independent charge and in charge of Land Mortgage Banks for information.

Handwritten notes: JL, X m 21, N12, 201, N34-26-4



"P. C. U." Circular.

R. C. 58/34-35.

OFFICE OF THE MADRAS PROVINCIAL
CO-OPERATIVE UNION, ROYAPETTAH,
Madras, 23rd October 1934.

INTERNATIONAL CO-OPERATORS' DAY CELEBRATION.

Saturday, 3rd November 1934.

DEAR CO-OPERATORS,

The Madras Provincial Co-operative Union has received a circular from the Secretary of the All India Co-operative Institutes, Association, Lahore, about the celebration of THE INTERNATIONAL CO-OPERATORS' DAY on Saturday the 3rd November 1934. It is earnestly hoped that its celebration this year will receive even greater enthusiasm and interest than before on the part of all co-operative organisations in the country, in order to demonstrate the strength and importance of the co-operative movement and the solidarity of co-operators.

The Co-operative Movement in India has now assumed large proportions. The number of societies exceeds a lakh, with a membership of 43 lakhs and a working capital of Rs. 5,218 lakhs. Taking the normal family at a little under 5, it is clear, therefore, that more than two crores of the people of India are being served by the Co-operative Movement. There is no single Movement in the country fraught with such tremendous possibilities for the uplift of the masses as the Co-operative Movement and there is no single Movement with such a large percentage of population affected by it.

But even so, the Co-operative Movement in this country has only touched the fringe of the problem. Moreover, the membership has not yet fully awakened to its responsibilities and powers. Millions, who became members under rapid expansion of the Movement have little or no understanding of what membership entails and are slow to exercise their rights and privileges or to bring pressure to bear upon the leaders they are entitled to elect. The low standard of literacy, particularly in villages, makes it hard for the mass of membership to understand the real principles of the Movement.

The full success that we desire and earnestly strive for, for the Co-operative Movement will not be attained unless illiteracy is removed, ignorance is wiped out, general knowledge widely diffused and an intensive programme of adult education in the villages is seriously taken in hand. Co-operators should be the first to realise this duty towards the masses and try to fulfil it to their best ability.

It is earnestly hoped that all co-operative societies in the country and their members will do their duty to make the CO-OPERATORS' DAY a huge success this year.

A short account of the proceedings of the CO-OPERATORS' DAY may please be sent to the Editor, the Madras Journal of Co-operation, Royapettah, Madras for publication of a consolidated report.

V. VENKATASUBBIYA,
Hon. Joint Secretary.

The Madras Provincial Co-operative Union. Elections to the Board of Management.

Name of Member elected. Name of Institution represented.
Elected by the General Body of the P.C.U.—

- | | |
|--|--------------------|
| 1. V. Ramadas Pantulu | |
| President. | |
| 2. A. Ranganadha Mudaliar. | } Vice-presidents. |
| 3. Rao Bahadur T. A. Ramalingam Chettiyar. | |
| 4. V. Venkatasubbaiya. | } Secretaries. |
| 5. N. Satyanarayana. | |
| 6. Rao Bahadur A. Rajabadar Mudaliar. | |

Provincial Societies.—

- | | |
|---|---|
| 7. Mr. K. Bhashyam Iyengar. | The Madras Provincial Co-operative Bank, Ltd. |
| 8. S. Krishnaswamy Iyengar. | The X'ian Central Co-operative Bank, Ltd. |
| 9. Dewan Bahadur M. Ramachandra Rao Garu. | The Madras Central Land Mortgage Bank, Ltd. |
| 10. Mr. V. Venkatachalam ... | The South India Co-operative Insurance Society. |
| 11. A. Sivarama Menon ... | The Central Co-operative Printing Works. |

Language Federation.—

- | | |
|-----------------------------|---|
| 12. K.G. Sivaswami Iyer ... | The Tamil Nadu Co-operative Federation. |
|-----------------------------|---|

Central Banks.—

- | | |
|-------------------------------|---|
| 13. T. Audinarayana Chettiar. | Salem District Urban Bank. |
| 14. S.S. Sankara Mudaliar ... | District Co-operative Central Bank, Madras. |
| 15. E. S. Sunda ... | Madura-Ramnad Co-operative Central Bank, Madura. |
| 16. B. Venkataratnam ... | Co-operative Central Bank, Ramachandrapuram. |
| 17. C. Subba Rao ... | Vizianagaram Co-operative Central Bank, Vizianagaram. |
| 18. K. Lakshmana Rao ... | Co-operative Central Bank, Cuddapah. |
| 19. Ullal Mangesh Rao ... | South Kanara District Co-operative Central Bank, Mangalore. |
| 20. P.S. Nambiyar ... | Malabar District Co-operative Central Bank, Calicut. |

Urban Banks.—

- | | |
|-------------------------------------|--|
| 21. Janab Syed Abdur Rahiman Saheb. | Co-operative Town Bank, Cuddapah. |
| 22. Dr. E. S. Ramasubbu ... | The Madura Urban Co-operative Society, Madura. |
| 23. S. Nagaswami Iyer ... | Co-operative Urban Bank, Sivaganga. |

THE MADRAS JOURNAL OF CO-OPERATION

Name of the Member Elected. Name of Institution Represented.

Non-Credited Societies.—

24. G. Sriram Babu Naidu ... The Madras City Co-operative Building Society, Ltd.
25. Rao Saheb V. I. Munnisami Pillai. The Ootacamund Co-operative Building Society, Ootacamund.
26. K. L. Narasimha Rao ... The Madras Lawyers' Co-operative Building Society.

Primary Land Mortgage Banks.—

27. K. S. Rangayya Gownder ... Kambiliyampatty Co-operative Land Mortgage Bank.
28. Rao Saheb G. Venkataratnam Pantulu. Gudlavallern Co-operative Land Mortgage Bank.

District Federation and Local Unions (Including Audit Unions)—

29. L. Gangadhara Sastri ... Hindupur Co-operative Union, Anantapur Dt.
30. W. Markanda Chettiyar ... Wandiwash Co-operative Union, N. Arcot Dt.
31. M. G. Parthasarathy Mudaliar. Vridhachalam Co-operative Union, S. Arcot Dt.
32. Siva Channa Basappa ... Bellary Co-operative Union, Bellary Dt.
33. K. Venugopala Mudaliar ... Chingleput Dt. Co-operative Federation, Conjeevaram.
34. K. Krishnamoorthy Rao ... Punganur Co-operative Union, Chittoor Dt.
35. V. Subramania Iyer ... Gobichettipalayam Co-operative Union, Coimbatore Dt.
36. B. Narayanaswamy ... Local Co-operative Supervising Union, Yerraguntala, Cuddapah Dt.
37. B. V. Ramanurti Garu ... Local Co-operative Union, Gopalpur, Ganjam Dt.
38. A. Ramachandra Rao ... Cocanada Co-operative Union, East Godavary Dt.
39. G. Anjaneya Chaudary ... Local Co-operative Union Ellore, West Godavary Dt.
40. N. V. L. Narasimha Rao Pantulu. Guntur Taluk Co-operative Union Guntur Dt.
41. M. Aithla ... Coondapur Co-operative Union, S. Kanara Dt.
42. K. Lakshmayya Naidu ... Gudur Local Co-operative Union, Kistna Dt.
43. S. Narasimhulu Pantulu ... Kurnool Co-operative Union, Kurnool Dt.

THE MADRAS PROVINCIAL CO-OPERATIVE UNION

44. V. Chinnakrishna Naidu ... Ottakadai Co-operative Union, Ottakadai, Madura Dt.
45. M. Ramanunni Nair ... Ottapalam Co-operative Union, Ottapalam, Malbar Dt.
46. K. Raghavayya ... Viroor Co-operative Union, Viroor, Nellore Dt.
47. K. Belli Gownder ... Kotagiri Co-operative Supervising Union, Kotagiri, (Nilgiris District.)
48. G. Alagiriswamy Naidu ... Sundarapandiam Co-operative Union, Kunnur P.O. (Ramnad District.)
49. N. V. Krishnaiah Chettiar. Salem Co-operative Union, Salem District.
50. Rao Saheb K. V. Thiruvenkata Mudaliar. Tiruvarur Co-operative Union, Tiruvarur, Tanjore District.
51. I.K. Subramania Pillai ... Tenkasi Co-operative Union, Tenkasi, Tinnevely District.
52. M.M. Krishnaswami Pillai. Trichinopoly District Co-operative Federation, Trichinopoly District.
53. P. Sriramulu Naidu ... Anakapalle Co-operative Union, Anakapalle, Vizagapatam District.

District News.

THE GOVERNMENT TELEGRAPH EMPLOYEES' CO-OPERATIVE SOCIETY, LTD., MADRAS.

Free Public Library.

The number of readers and the number of volumes issued for home reading during the month of September 1934, were 984 and 572 respectively.

The Library is kept open on all working days of the Society from 10 A.M. to 5 P.M.

THE MADRAS P. C. U. FREE READING ROOM.

The Reading Room of the Madras Provincial Co-operative Union Royapettah, Madras, is kept open to public from 8 to 10-30 A.M., and from 5 to 7-30 P.M., on all days of the week except Monday. The Reading Room is becoming more and more popular. The number of readers during the month of September 1934 were 1,050.

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 for 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.

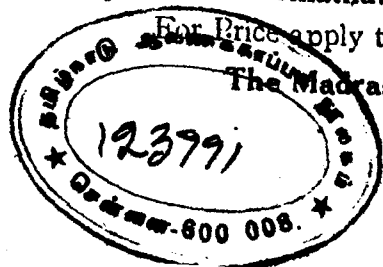
II. Thrift and Co-operation. An urban story. It shows how an educated man in Madras got into trouble owing to his thriftless ways and how he was saved by a Co-operator. 40 slides.
Price Uncoloured Rs. 40.
Coloured Rs. 60.

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. 93.

IV. Ramayanam. These Slides are very useful for Kalek-shepam and Harikatha. **36 Coloured Slides** (a complete set).

For Price apply to :—

The Madras Provincial Co-operative Union,
Royapettah, Madras.



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