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The late Mr. T. L. R. Chandran, I. C. S.

Additional Joint Registrar of Co-operative Societies.

THE

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Editorial Notes.

Our Land Mortgage Banks.

A perusal of the report of the Central Land Mortgage Bank for the last co-operative year (1936-37) confirms the impression which people generally have of the land mortgage credit in our Presidency, that it is very satisfactory in almost all respects. No difficulty was found in getting applications for the debentures of the Bank whenever they were floated, and they were sold at a premium in the market. The primary banks were in no arrears either of principal or interest, though the demand was Rs. 4 98 lakhs and Rs. 4.15 lakhs respectively. The Government were pleased to raise their guarantee of the Bank's debentures during the year from Rs. 100 lakhs to Rs. 125 lakhs and after the close of the year again to Rs. 150 lakhs. The Bank was able to float debentures at 3 per cent, lend to primary banks at 4 per cent and insist on their passing on the money to their members at 5 per cent. After setting apart Rs. 10,000 for meeting unforeseen bad debts and Rs. 20,000 towards a debenture redemption reserve, it worked at a net profit of Rs. 64,422 odd. After carrying one-fourth of this amount to the reserve fund as required by law, and paying Rs. 19,462 odd to Government for the services of the Deputy Registrars, the Bank declared a dividend of 5 per cent on share capital. After this was paid there was a balance of Rs. 6,796 odd, which also was added to the reserve fund, which with these additions amounted to Rs. 1,35,617 odd. The total amount of loans due to the Bank from the primary banks was Rs. 112.86 lakhs. The total value of the properties mortgaged to the Bank against these loans exceeded Rs. 352 lakhs or three times the amount of loans. The value of debentures outstanding at the same time was Rs. 111.84 lakhs. Thus the position of the Bank financially was extremely sound. The tradition of infinite care in the granting of loans and of strictness in the collection of dues established by the late Sir M. Ramachandra Rao when he was President of the Bank, is being continued undiminished by his successor, Mr. T. A. Ramalingam Chettiar. It is well that it is so; for it is only if the Bank continues to function at its present high level of efficiency that the blessings of long term credit will be secured for the agriculturists of our province.

During the year an important change which is calculated to enhance the popularity of its debentures was made in the bylaws of the Bank. Formerly they were liable to be redeemed on three months' notice by drawing lots to the extent of the principal collected. This naturally led to a good deal of uncertainty and consequent inconvenience to debenture-holders. It has now been deleted from the by-laws. The amount of principal collected is now either invested in Government paper or utilised for purchasing the Bank's debentures in the open market.

Primary Banks.

It is not surprising to find that the working of the primary banks, of which there were 93 at the end of the year, was not nearly as satisfactory as that of the Central Bank. Of them about a dozen were new banks which had not yet been financed by the Central Bank. 63 of them worked at a profit and 30 at loss. Some of these were no doubt new societies. The real reason for their working at a loss was not their failure to collect the interest due from the members but the smallness of transactions. These loss societies are found chiefly in dry areas where the value of land is comparatively low. The remedy would appear to lie in extending the transactions of the banks. One is glad to read in the report that all the banks showed considerable activity and their directors commendable energy in the working of the banks. If a very large number of applications for

loans were pending with them—nearly 50 per cent of the total applications—it was on account of the delay on the part of the applicants in proving their title to the properties. A suggestion has been made to the primary banks to reject applications, if the documents relating to them are not produced within three months. Out of 81 banks which were not new, in 43 there were no arrears in respect either of principal or interest and in 38 there were arrears in respect of either or both. It was, however, only in a few that the arrears were considerable; the worst being the Pithapuram (old) bank which has been disaffiliated from the Central Bank and the Vadlamannadu bank. These two primary banks were responsible for as much as Rs. 35,000 out of the total arrears of about Rs. 88,500. The report of the Central Bank states that necessary steps for the collection of arrears have been taken and that they will soon be cleared. It is to be noted that during 1936 37, 2,206 loans amounting to over Rs. 39 lakhs were disbursed by the various primary banks. Of them 1,481 loans amounting to Rs. 13.68 lakhs were for amounts of less than Rs. 2.000. We hope that it will be, if it is not already, the policy of the banks to give priority to applications for small amounts over those for large ones.

Conference Resolutions.

The present needs of the land mortgage banks in this province were discussed and formulated in resolutions at their annual conference held in the premises of the Central Land Mortgage Bank on the 28th of November last. The proceedings of the conference, which was opened by the Hon. V. V. Giri, are given elsewhere in this issue. In welcoming Mr. Giri and the representatives of the primary land mortgage banks to the conference, Mr. T. A. Ramalingam Chettiar made an admirable speech in which he urged mainly (1) that the present scheme for redeeming debentures was much superior to the Sinking Fund scheme recommended by the Reserve Bank authorities, (2) that charging to the Central and primary land mortgage banks the entire cost of the land mortgage Deputy and Sub-Deputy Registrars was unfair and (3) that the recent withdrawal of concessions in respect of encumbrance certificates and registration fees was seriously hampering the work of the land mortgage banks In the speech he made while opening the conference, Mr. Giri, as was to be expected, could only assure the conference of the general sympathy of the Government and an earnest consideration of their views. With regard to the Sinking Fund controversy, he said, however, that while responsible banking advice might not be ligthly brushed aside, he would see to it that the interest rate for the ultimate borrower was not raised on account of that scheme, if it was adopted. That is really what matters and as rightly pointed out by Mr. Giri, it is of no importance to any of us whether the scheme is called by this name or that.

There is very great force in the contention of Mr. Chettiar and other co-operators that there is no justification for the Government charging to the land mortgage banks the entire expenses of the land mortgage Deputy and Sub-Deputy Registrars. These banks are as much entitled, it is rightly pointed out, as other co-operative institutions are to supervision and guidance from Government staff; and when other co-operative institutions are not asked to pay for such service why should only the land mortgage banks be asked to do so? For enquiring into applications, valuing lands and examining titles, the banks have their own paid and other staff. If Government insist on this work being done again by their own staff, it is to satisfy themselves on account of the guarantee they have given to the debenture-holders. For this satisfaction it is but fair that Government should pay and not ask the land mortgage banks to pay for them. There is further the practical consideration that most of the banks are not in a position to pay the charges of the Sub-Deputies. Many are even now working at a loss, and if this charge is levied, most of the others also will come on the list of loss societies. It is far more important for Government that these banks should be enabled to build up good reserves and keep their rates of lending low than that they should pay back to Government the few thousands claimed to have been spent on their behalf.

We hope that these and other resolutions of the conference will receive at the hands of the Government and of the institutions concerned the attention they deserve.

The Madras District Labour Society.

We congratulate the Madras District Co-operative Labour Society, which came into existence in January 1936, on the work it has been able to do inspite of special difficulties during the last two years. The object of the society is to find employment for its labour members by taking up and executing building contracts. We do not think there is any other society of its kind in this province. Its special difficulties are the technical nature of its work, lack of funds for employing competent technical staff and the ignorance and lack of discipline of its labour members. Inspite of these difficulties the society

has been able to complete 12 houses valued at about Rs. 61,000 to the entire satisfaction of the owners, both as regards the materials used and workmanship, as their hearty testimonials prove. Among them are one by Rao Bahadur M. Giriappa, Joint Registrar of Co-operative Societies, who entrusted the construction of his house to the society, and another by the Secretary of the Madras Government Servants Co-operative Building Society of Gopalpuram, which entrusted two houses to the Labour Society. With much experience of other agencies, he says, " The construction is quite satisfactory, the materials used are good; the design is latest and the finish superb. The Society deserves all encouragement." The greatest credit is due to the president and secretary for their zeal and patience.

During the co-operative year 1936-37 when 10 houses were in different stages of construction the society employed for different periods 49 members and 301 non-members, and disbursed among them Rs. 7,880 as wages. As nearly 50 per cent of this amount went to the members, the society may be said to have achieved its object in a considerable measure. The greatest need of the society is competent technical staff for employing which, at any rate in the infancy of the society, a subsidy from Government is needed. The society applied for it and its application was supported by the Registrar, but it was turned down by Government. Everybody, including Government, is pointing out, till one is tired of hearing it, that the co-operative movement in our country should develop in various non-credit directions. But it cannot be done unless more substantial aid than mere exhortation is forthcoming. We hope Government as a whole will realise this and adopt financially a liberal policy towards co-operation. The Labour Society will do well to renew its application for subsidy, since with a labour leader like Mr. Giri in charge of co-operation, it surely can expect more favourable consideration than before.

The Palmyra Jaggery Industry and Co-operation.

A few days ago a deputation of toddy-tappers, or rather palmyra jaggery makers, of West Godavari district waited on the Hon. Mr. V. V. Giri and requested him to intercede on their behalf with Messrs. Parry & Co., to whom they were supplying for many years palmyra jaggery for making sugar, sweets etc. at their Samalkot factory. On account of the continued fall in the price of jaggery there was growing unrest among the tappers and they finally resolved to go on strike, that is, not to make jaggery in the season last year, the season lasting usually from January to May. Like all strikes, it caused greater hardship to the labourers than to Messrs. Parry & Co. The deputationists requested the Labour Minister to persuade Messrs. Parry & Co. to fix a reasonable price for the jaggery, to deal with them directly and not through middlemen contractors and to remove some minor grievances. We are glad to learn that Mr. Giri has been able to do the needful and that the tappers of West Godavari will resume jaggery-making this season.

What we wish to stress in this connection is that the industry is very suitable for organisation on co-operative lines and that such organisation should be earnestly taken up both by the Co-operative Department and non-official co-operators. In West Godavari the industry is next in importance only to agriculture and weaving and is the source of livelihood for many thousands of families. The tappers need finance as they have to pay rent—usually about Rs. 20 for 60 to 100 trees—to tree-owners, have to equip themselves with boiling pans and other utensils and have also to buy some fuel. This finance is now obtained from money-lenders and contractors at a high rate of interest and also on condition that the jaggery is sold to them at a commission of 10 per cent: for 20 maunds they have to tender 22 maunds. During the season the tappers live in the fields, where temporary shops are opened by traders who charge monopoly prices for provisions etc. All these services can be rendered efficiently and cheaply by multiple-purposes co-operative societies if they are organised for these tappers. We understand that before the deptuation came to Madras the tappers held three big conferences, two of which were presided over by well-known co-operators, *viz.*, Dr. P. Gurumurthi of Rajahmundry and Dr. B. Pattabhisitharamayya of Masulipatam. They advised them to organise themselves into co-operative societies for the production and sale of jaggery. We also understand that Mr. K. Subramanyam, Deputy Registrar, has done some propaganda among them. This in our opinion should be followed up by one or more experienced officers of the Department being specially deputed to form a number of primary societies and a union for making jaggery and dealing with Messrs. Parry and Co. These societies would also be able to supply food-stuffs and other articles to the tappers when they have to live in the fields.

We consider this a very valuable opportunity for the Department to gain experience in organising the palmyra jaggery industry

on sound lines. This experience will prove very handy in the near future for other districts when Prohibition will be extended to them from Salem. It was Salem's great misfortune that Mr. T. Adinarayana Chettiar and Mr. T. L. R. Chandran, who in view of Prohibition were organising the tappers for jaggery production, one as a non-official and the other as Development Officer, should have suddlenly died within a few weeks of each other. It is the duty of both officials and non-officials to take up the task left by them, and we are sure that the Government will only be too pleased to sanction any additional hands which the Registrar may ask for this purpose.

Non-Official Co-operative Employees' Conference.

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On the 26th of December last was held at Rajahmundry a conference which, so far as we are aware, is the first of its kind in the annals of the co-operative movement in this country—a conference of employees of co-operative institutions in this province. Its object was to form a permanent association of such employees and to give expression to their grievances and requirements. They were fortunate in getting a co-operator of the Hon. Mr. Ramadas Pantulu's eminence to preside over their conference. He pointed out that at present no data were available regarding the number, emoluments and other conditions on which the co-operative institutions in this province had employed hands, and it would be very useful if a central organisation collected the data. He strongly condemned the tendency which the Department had markedly shown in recent years of thrusting its officials as secretaries and executive officers of central banks and other important institutions. He deplored that while men who had undergone training in co-operation were available, unqualified men were being appointed by societies out of considerations other than efficiency. He observed that the proper relationship between the management and employees of societies should be that of co-workers in a common field and not that of master and servant.

The conference adopted a constitution for itself, appointed a central committee and thus became an enduring body. On this it should be congratulated. It then passed a number of resolutions affecting the interests of employees, some of which will no doubt command the sympathies of all co-operators, such as the request to institutions to employ in future only trained candidates and the request to Government to recruit a percentage of its co-operative staff from non-official employees and not to displace non-official employees of banks etc. with officials. Some other resolutions, however, contain requests which are impossible of fulfilment in our country and for which we do not think there are precedents anywhere in the world. Those requests are that institutions should insure the lives of their employees and pay the premia from their general funds, that old age pensions should be instituted in addition to a provident fund, that free and unconditional sickness benefits should be given in the shape of full salary during the period of sickness, that the minimum salary should be Rs. 40 per mensem and increments should be given at a rate of Rs. 2-8-0 per year until Rs. 75 is reached etc. The most pampered service in the world, the I.C.S., is not given the benefits demanded above, omitting the salary item. If the conference thought it was not concerned with the feasibility of its proposals but only with what it would like its members to have, it need not indeed have been so modest in its demands. Most of our co-operative societies are credit institutions. Their members are demanding cheaper credit and urging the management to work on the smallest possible margin consistently with safety. The employees ought not to ignore this fact, nor the fact that institutions exist primarily for the benefit of their members and not of their employees. The central committee of the conference will do well to collect the data mentioned by Mr. Ramadas Pantulu and, standing on facts and figures, to persuade the co-operative public that their requests are not unreasonable.

Better Living Societies.

By S. Neelakantam, B.A.

Deputy Registrar of Co-operative Societies, Nellore.

Need for Better Living Societies.

The villages in India were once the units of pristine glory and happiness. The chroniclers of the time of Asoka and Chandragupta had unstinted approbation for the greatness of the villages in India at the time. The villager had his own land to till, his own cattle to tend and milk, cotton to spin and weave into wearing apparel for himself and for his neighbour who did not produce cotton, a house to live in comfort and plenty of food for sustenance. It is in evidence that the villages gradually deteriorated with the passage of time and became centres of misery and squalor. Disunion and disharmony have taken entire possession of and reign supreme in the villages. Wherever one turns, one finds drink, dirt and disease and is greeted by hungry mouths and naked backs. The villages are deeply disorganised and distinctly disjointed. The headman was till lately treated by the villager, and really without justification, as an oppressive tax-collector and the bodies charged with the administration of the villages as limbs of a cruel agency. Any measure of reform or attempt at reconstruction was opposed with all the vehemence he could command. He resented the introduction of improved methods of agriculture or the inauguration of healthy modes of living. He has since begun to look around and realise that a change of outlook is necessary and that he has to conform to the new ways of life, but he does not have the wherewithal to transform his life or improve his material condition, living still as he does an uneconomical life, and refraining from the cultivation of thrift. He is still a slave of certain social customs and a seasoned victim to some gregarious observances, entailing much waste and having no intrinsic value for human existence. Mr. Brayne, who is justly known and universally acclaimed as the founder of the Reconstruction Movement in India, observes: "The reduction of waste whether on ceremonies, litigation, ornaments or drink is a pressing social problem. Inspite of protestations to the contrary a lot of waste is still going on. The most elaborate and fully developed system of litigation alone with its judges, jails, punitive police, magistrates, munsiffs, assessors, advocates, petition writers, copyists, libraries, printers, publishers, witnesses—false and true and all other paraphernalia—these alone consume crores annually.

Ornaments, ceremonies, are other avenues of waste." With such channels of drain, whatever attempts might be made to improve a man's condition, there can really be no progress. If even a quarter of this money spent on litigation, ornaments and ceremonies is diverted for productive purposes, there will be more money than is required to live well and healthily. The Co-operative Movement which has till now confined its activities mostly to afford cheap credit, has turned its attention to better the miserable lot of the villager by the installation of Better Living Societies. They are the need of the day and are expected to play a dominant part in the reconstruction of the villages and revivification of rural life.

Objects and method of work.

The objects of the Better Living Society are indeed most varied and diverse. But its immediate object is to do away with the causes of litigation, to teach thrift on the occasion of social and other ceremonies, which would thereby enable the members to have better land, better food, better clothing, better houses and, in essence, to bring about an all-round improvement in their mental and moral perspective. The people in a small area covering a village or a hamlet, who can constantly meet and can influence each other's daily routine of life, preferably of one caste or community, can be brought together. They have to frame a set of rules, the essentials of which will be (*a*) to reform bad customs or habits prevalent amongst themselves, (*b*) to prevent ruinous expenditure on social ceremonies, births, marriages and deaths etc., and thereby inculcate habits of thrift, (*c*) to teach and practise rules of hygiene and sanitation, (*d*) to assist the arrangements for the education of members and their children, and for the organisation of games and all useful occupations which render the life of the community more pleasant, (*e*) to improve the moral and spiritual condition of the members and finally (*f*) to promote other measures calculated to encourage in them the spirit and practice of thrift, mutual help and self help. There is to be no element of compulsion from outside. The members should voluntarily frame these rules after full acquiescence and conviction of the benefits to be derived from them. They bind themselves by written agreement, to observe such reformed customs as the general meeting may approve, to limit the expenditure on certain specified ceremonies, to give up certain customs and to abstain, where they exist, from the use of liquor, smoking, gambling etc. Breach of the agreement is punishable with fine not exceeding Rs. 100 or such other

amount which the committee may impose. Such fines become payable immediately after imposition subject to a right of appeal to the general meeting. Contributions may be levied from members on the occasion of ceremonies such as marriages, births, etc., taking place in the family or household according to a scale to be prescribed by the general body. There is to be no share capital but a nominal entrance fee will be levied to meet the working expenses. The central financing institutions and the Provincial Bank, Madras, who have ever and always the interest and the well-being of the ryots at heart, can come to the succour of these societies, give liberal grants and accelerate the spread of a net work of societies. The accumulated Common Good Funds of credit societies in rural and urban areas could be made over to the Better Living Societies by an amendment to their by-laws. Philanthrophic men may also be approached to make free grants to them.

With the funds so raised, it would become possible for the members to devote attention to matters of sanitation, compulsory vaccination, medical relief, etc. Provision can also be made for adult education and for the education of the children of the members. The Panchayats may act as arbitrators and prevent litigation. In fine, there is no aspect of human life which cannot be tackled by these societies, not excepting measures for killing rats, stray dogs etc., constructing foot-path for cattle to keep off foot and mouth diseases etc.

Achievements in a sister Province.

The most forward province in this direction is the Punjab. According to the latest report, the number of Better Living Societies in that province is 600 with a total membership of 21,000. As already stated, the main object of these societies is to induce their members to curtail wasteful expenditure imposed by custom on marriages and other ceremonials. It is reported that in places where these societies exist they have beyond all doubt saved their members many thousands of rupees each year. To quote a few instances, the members of 14 societies in Jullunder are said to have spent only Rs. 14,000 where they would have normally spent Rs. 40,000. In another area, the saving effected by the avoidance of wasteful expenditure on ceremonies celebrated by the members was estimated at Rs. 23,000. The members of 7 societies in Montgomery are said to have saved Rs. 16,000 on 32 marriages. It is of great interest to know that a biglandlord celebrated the marriage of his son at a cost of Rs. 11 as against Rs. 10,000 spent on the marriage of his brother before he joined the society. Some of the societies prohibit all expenditure on jewellery on the ground not only of economy, but still more of personal safety. In Jullunder many ladies have sold their jewellery and deposited the proceeds in Co-operative Societies.

The societies have exerted their influence on non-members as well. In Gujaranwala district a non-member was induced to celebrate a marriage in his family according to the rules of the Better Living Society by a threatened social boycott.

Besides the curtailment of unprofitable expenditure on social ceremonies and the reformation of bad customs, the societies devote their attention to matters of sanitation, vaccination, inoculation, prohibition, medical relief and midwifery. Some societies have made provision for levelling and sweeping of village lanes, for improving public wells and tanks and for pitting of manure in places far away from the village site.

When a sister province has advanced in this form of self-help to such remarkable extent it is a matter for intense mortification that in this province where people are not less forward or enlightened, the usefulness of these societies has yet to be recognised and realised.

Places not conducive to formation and growth.

A village rent by factions will have to be avoided, for members take ordinarily a fiendish delight to fight out their battles in the arena of the society and hamper its normal growth. The society can be better restricted to one class or caste or tribe, as it is simple and easier to reform the bad customs or practices of that class or caste or tribe. If an attempt at reformation of all castes in a village is made, the success of the society is likely to be rather remote for the main reason that it is difficult to control all classes; and even if it is done, it takes a long time to cover the ground and be an effective force in the village. Where conditions are propitious and the task easy, the formation of a society for a whole village is a desideratum, however divergent be the interests of the classes.

Again, it is essential to have a band of selfless workers at the helm of affairs. They must be free from prejudice and be above reproach in all their dealings, caring neither for the frown nor favour of any one. Many a society has been in the past wrecked on the hidden rocks of bias and many more have come to grief by the admixture of undesirable elements.

Lastly, the reformation to be brought about by the societies ought to be steady and gradual; and over-enthusiasts have to be avoided at the start. An Indian, particularly a Hindu, possesses conservative notions and is always hostile to social reform. It is ordinarily a mighty task to bring him round. It is safer to introduce innovations by slow stages, till there is adequate response from one and all of the society.

Conclusion.

If it is stated that the success of the rural reconstruction movement largely depends on the establishment and well working of Better Living Societies, the truth is mentioned with amusing moderation. It is time that every one should make an earnest beginning in the direction and call into existance a number of societies in the districts. It cannot be interpreted as a wild dream if these societies, conceived in a sacred state of mind, are expected not only to form the units of corporate activities but also to pave the path for the establishment on earth of the brother-hood of man and the Father-hood of God. In the interests of the preponderating rural population, all have to "Awake, arise or for ever be fallen."

Co-operative Banks and Debt Relief Bill

By Rao Sahib M. S. Seshachalam Iyer,

Secretary, Co-operative Urban Bank, Ltd., Tiruvannamalai.

Anybody closely following the comments and criticisms made on the published Draft Bill might have been confounded as to the rationale of exempting Co-operative Societies and Land Mortgage Banks from the operation of the proposed Act. It has been seriously asked by many correspondants in newspapers why this invidious distinction has been made in favour of co-operative societies, when they are charging between 9 to 12 per cent interest and in their dealings are in no way better than the ordinary money lenders; and so they urge that the provisions of the Act should apply even to societies. Even after the working of the societies in this Presidency for the last 33 years if people who are able to write letters to newspapers are not well enough versed with the working of the societies, it only shows the apathy with which the movement is treated by the well-to-do and middle classes. No doubt the societies were lending at a maximum of 9 per cent when they were borrowing at 7½ per cent and interest on deposits was between 6 and 7 per cent. Co-operative Banks are not institutions owning any wealth. They are conducting deposit banking for the benefit of the deserving agriculturists and industrialists. They are borrowing money in the open market in the shape of deposits and lending to their members at a small margin to meet the working expenses. Anything remaining as surplus is divided among the shareholders as dividend. If the borrowers have not paid their dues and even if the interest is overdue, the societies are said to be working at a loss until the interest is collected. But the interest on the borrowings of the Bank is paid punctually on the due date even from the principal collected and in many of the societies the principal outstanding will be much lower than the borrowings due to the creditors, since there will be a large accumulation of interest overdues. For instance, a certain society owes to the Central Bank by way of principal an amount of Rs. 17,000, whereas the loans due to it by its members are Rs. 13,000 by way of principal and Rs. 5,000 by way of interest. This is not an uncommon feature in our societies. Suppose this Act is made applicable to societies, what will be the result? The

entire interest overdues of Rs. 5,000 will be wiped out and there will be only Rs. 13,000 of principal available to pay the Bank's dues of Rs. 17,000. The societies will have to be liquidated and a contribution of Rs. 4,000 will have to be collected from the poor agriculturists by enforcing unlimited liability for the advantage given to a few of them who were chronic defaulters.

The Registrar has circularised that for giving relief to the members of societies the rate of interest on loans should hereafter be reduced to 6 per cent and the financing banks in their turn should lend at not more than 4 per cent to village societies. The town Banks have come in for severe criticism even at the hands of well known co-operators in connection with this Bill. Many of them used to pay 6 to 8 p. c. interest on deposits and used to charge 9⅜ p. c. interest on lendings. Now that the rates of interest on deposits have been reduced, they are lending at 6¼ to 7½ per cent, and it may be possible to reduce the rate to 6 per cent, if the exhorbitant audit fees are abolished and a smaller proportion of net profits is taken to the Reserve for some time temporarily. These urban banks have got to maintain an efficient staff and decent accommodation to have organised banking business and to instil confidence in the minds of its constituents. Efficiency and promptness bring good business. I had occasion to go to a Joint-stock Bank in Madras with a cheque for Rs. 25 and had the misfortune to stand in the counter for 5 hours to get it cashed and cursed myself for having got a cheque on that Bank. A town co-operative society should be able to do better business and hence it must have a fair margin to meet its expenses. As a co-operator I welcome the Bill now before the Congress Ministry for the relief of the agricultural indebtedness, and I am sure any defect that may be pointed out in its provisions will receive due consideration of the framers of the Bill.

But what I am now concerned about is the help which the co-operative societies can render to those who get partial relief by the Bill to have complete redemption from their indebtedness. If the interest dues are wiped out by provisions of the Bill and the principal remains unpaid, the affected creditor will wreak his vengence by filing a suit and bringing all the properties for immediate sale and thus ruin the agriculturist whom the Bill wants to protect. Land Mortgage Banks, unless they are started at the rate of one for ten villages, will not be able to help the bulk of the villagers—only a few well known people may get relief through them. If the bulk of the village agriculturists should be rescued from the clutches of the local money lenders, the rural societies must be able to lend on proper security at least for a term of ten years and side by side give necessary advances for short term requirements. The President of the Provincial Bank is prepared to release four crores of rupees from the Provincial Bank itself and we have large surpluses in all the Central and Urban Banks. The loans to be lent to the agriculturists alone in this Presidency under the debt relief bill may not be more than ten crores if the mirasdars having lakhs of rupees as their debts and the middle class non-cultivating agriculturists having loan for more than Rs. 1,000 are excluded and left to the Land Mortgage Banks to be helped. These 10 crores could be found in the movement itself by the present surplus and by future deposits that will be forthcoming from the creditors who are repaid their dues. I submit the following suggestions for the consideration of co-operators and of the Registrar in order that the rate of interest on co-operative loans may be reduced to 6 per cent and also in order that agriculturists may be redeemed from their indebtedness.

1. The Provincial Bank should lend to Central Banks at not more than 3 per cent and the Central Banks should lend to village societies at 4 per cent. The period of loan in village societies may be raised to 10 years for Long Term and two years for Short Term loans; and the theoretical objection to using Short Term deposits for Long Term loans should be re-examined in the light of the fact there was no need to observe this theory in any place for the last 30 years.

2. The Provincial Bank should lend to Town Banks direct.

3. The exemption in Stamp and Registration fees should be restored. Now the borrower in societies, irrespective of the amount of loan, incurs an expenditure of Rs. 5 to Rs. 7 every time he takes a loan in a village society in this accounts.

4. Government must come forward to give free audit to the Banks and societies irrespective of their transactions.

5. The properties mortgaged to societies in this connection must be made inalienable until the debts are discharged.

6. Compulsory legal provision must be made for consolidation of holdings in villages.

7. Land Tax must be reduced.

8. Seed, manure and implements must be supplied on credit instead giving agricultural loans in cash.

9. The minimum price of agricultural produce should be fixed and facilities for better marketing should be provided by enforcing the legal provisions already enacted for the same.

10. Complete prohibition must be introduced throughout the presidency.

11. Subsidies should be given for small village industries and organisations should be formed for the speedy disposal of the products.

By the above provisions we shall be not only reducing the agriculturist's indebtedness but also increasing his earning capacity and thus raise him from his present state of proverty.

Mortgage to Secure Future Advances

By Mr. P. K. Srinivasa Raghava Acharya, B.A., *Tindivanam.*

At page 65 of Volume XXVIII of the 'Madras Journal of Co-operation,' there is a valuable article by Mr. M. S. Narasimha Rao, B.A., B.L., of Nellore who at page 67 refers to the practice obtaining in Kalahasthi of taking a mortgage to secure future advances. This article is ably commented upon by Mr. P. Radhapathi of Tirupathi at page 211 of the same Journal. The practice of taking such documents seems to prevail in many parts of this presidency. At least in one case I have been approached for opinion by the Melatur Co-operative Agricultural Bank, Ltd., as regards the legality of taking such documents. Since the matter seems to be of some importance with regard to many of the co-operative societies, it is better that it is carefully considered.

Section 79 of the Transfer of Property Act contemplates the execution of such mortgages. It is as follows :—

> " If a mortgage, made to secure future advances, the performance of an engagement, or *the balance of a running account*, expresses the maximum to be secured thereby, a subsequent mortgage of the same property shall, if made with notice of the prior mortgage, be postponed to the prior mortgage in respect of all advances or debits not exceeding the maximum, though made or allowed with notice of the subsequent mortgage."

This section contemplates the existence of a mortgage and that for securing future advances. Such a mortgage should express the maximum to be secured thereby. If these conditions are satisfied then a subsequent mortgage with notice of such a prior mortgage will be postponed to the prior mortgage in respect of all advances or debits not exceeding the maximum, though made or allowed with notice of the subsequent mortgage.

This section is in fact an exception to section 80 which says that no mortgagee making a subsequent advance to the mortgagor, whether with or without notice of an intermediate mortgage, shall thereby acquire any priority in respect of his security for such subsequent advance. Mr. Narasimha Rao apprehends 'that the society may come to grief, if the borrower after executing this overdraft

mortgage in favour of the society, mortgages the property once again to a stranger.' The learned gentleman says that 'the stranger may contend, and in my opinion probably with success, that in so far as the society advanced in the aggregate more than the maximum amount mentioned in the mortgage deed, the society cannot claim priority over the subsequent mortgage in respect of the excess advanced.' He also takes a case and says that he has very grave doubt if the mortgage security subsists in respect of advances made over and above the initial sum of Rs. 250 advanced. "When the loan of Rs. 250 advanced by the society is paid back either in full or in part it means the mortgage is discharged to that extent. I do not consider that another sum to make up Rs. 250 or part thereof can again be given to the borrower, under the same mortgage bond, so as to cover the same mortgage security, simply because at the time of the making of the subsequent advance, the debtor has repaid the previous advance substantially." It seems that the learned gentleman is of opinion that if the sum mentioned in the document is once advanced and taken a repayment of, the instrument ceases to be operative thereafter. With great respect I may point out that this impression is due to a failure to carefully consider the provisions of section 79 of the Transfer of Property Act. Since the opinion is expressed by a gentleman who appears to be a practising lawyer and who occupies such a responsible post as that of the President of the Nellore Co-operative Society, and since it is likely that on account of this opinion societies which are accustomed to take mortgages to secure for future advances and without proper legal advice will find it difficult to determine as to whether they have to continue the practice or discontinue it, it is necessary to examine carefully the case law on the subject, so that a correct conclusion may be arrived at.

Sir Rashbehary Ghose in his 'Law of Mortgage' has at page 177 considered this kind of mortgage. The learned author says :

" A mortgage to secure future advance is a very common form of security, and is generally created in favour of bankers to secure a current account. In such cases the mortgage will be treated as a running security, so that, when the advances, to the amount limited by the mortgage, are paid off, *either wholly or in part*, it will continue as a security for fresh advances within the limit named." It should be noted that the learned author says that even in cases where the advances are *wholly paid off* the mortgage will continue as security for fresh advances within the limit named.

In Harendra Lal Roy Choudry *vs.* Tarinicharan Chakravarthi, XXXI Calcutta 807, the Calcutta High Court had to consider whether a plaintiff can sue on a mortgage bond executed for securing future advances, when more than that sum had been realised by him privately. The bond was given as security for sums advanced on a running account, and it was evidently intended that, when advances of the amount specified in the bond had been *either wholly* or partially paid off, it should continue as a security for fresh advances up to the limit specified. The advances made never at any time exceeded Rs. 10,000 (the sum for which the bond was executed) but advances to the extent of more than four times the amount were made and from time to time paid off. Their Lordships held that the plaintiff could sue.

The Madras High Court had to decide a similar case in T. A. Sesha Aiyar *vs.* S. A. Srinivasa Aiyar, XLI M. L. J. 282. At page 285 their Lordships say, "Section 79 of the Transfer of Property Act recognises as legitimate a mortgage made to secure the performance of an engagement in the future, if it expresses the maximum to be secured thereby and the section provides that a subsequent mortgage of the same property shall, if made with notice of the prior mortgage, be postponed to the prior mortgage in respect of all advances not exceeding the maximum made or allowed with notice of the subsequent mortgage." The Judicial Committee have in 45 M. L. J. 505 recognised that such mortgages are being taken in this country.

It can be seen that it is perfectly legal to take mortgages for securing future advances. The conditions necessary to make such mortgages take priority over subsequent mortgages are (1) that the maximum amount to be taken as advances should be fixed and (2) that the subsequent mortgagee should have notice of the mortgage to secure future advances. If these conditions are satisfied then the subsequent mortgage is to be postponed to the prior one even with respect of sums that are advanced by the prior mortgagee subsequent to the subsequent mortgage. Now, as rightly pointed out by Mr. Radhapathi that section 3 of the Transfer of Property Act has laid down that Registration is sufficient notice of the existence of the instrument registered to all persons who acquire interest in the property covered by that instrument subsequently as from the date of *its registration*, it may safely be said that societies will not 'come to grief' if only they see that mortgages which they take to secure future advances fix the maximum to be advanced and are registered even on the day on which they are executed.

Land Mortgage Banks and Interest Rate.

By Mr. V. Ramamurthi Pantulu,

President, Razole Co-operative Land Mortgage Bank, Ltd.

The question of creating a sinking fund for the retirement of debentures with the consequent result of increasing the rate of interest charged on agriculturists' loans, is said to be engaging the attention of the Madras Central Land Mortgage Bank and the Madras Government and discussions are reported to be proceeding between the authorities of the Central Land Mortgage Bank and the Finance Department of the Madras Government. The question is of vital importance to the agriculturist debtors of this Presidency and it is hoped that the Congress Government pledged to afford an all round relief to agriculturists in this province, will take due account of the feeling of the co-operative public in the matter before they come to final decisions one way or the other. Let me state at the outset that mere extention of the period of repayment of loans to, say, 30 or 40 years, without at the same time keeping the level of interest rates as low as possible does not meet the requirements of the agriculturists; and Mr. N. Satyanarayana of Alamuru, who seemed satisfied with the result of his interview with the Prime Minister in which he urged that an extension of the period of repayment even at the risk of raising the interest rates to 6 or 7 per cent, did not correctly reflect the true opinion of either the agriculturist or the unofficial co-operator.

The case for the agriculturist on this subject could not have been more ably put forth than was done by the Honourable Mr. V. Ramadas Pantulu in his admirable article published in the August number of the "Madras Journal of Co-operation." Mr. Pantulu is unquestionably the leader of non-official co-operative opinion not only in this Province but also of the whole of India. His intimate association with the biggest co-operative institutions in the country and his vast knowledge and experience of the various problems affecting the economic life of Rural India entitles him to speak with authority on such questions, and the views expressed by him are shared by a large body of co-operators who have anything to count in agricultural co-operation.

It seems to have been assumed by the advocates of the sinking fund that the creation of such a fund is absolutely essential to ensure the soundness of the financial credit of the Madras Co-operative Central Land Mortgage Bank. They do not seem to have considered the possible alternatives to achieve the same object. The Debenture

Redemption Fund now being pooled by the Madras Co-operative Central Land Mortgage Bank is in my opinion bound to prove a better substitute, unless it can be supposed without warrant that all the mortgage investments made by the Bank are likely to prove utterly unrealisable. That such a contingency is inconceivable is amply borne out by the fact that elaborate processes of scrutiny, valuation, etc., were carried on at every stage of the loan application by experts well fitted for the performance of such a task. The Debenture Redemption Fund as now constituted by the Madras Co-operative Central Land Mortgage Bank has all the advantages of a sinking fund without the necessary consequence of enhancing the present rates of interest.

Strenuous attempts were made in the past to bring down the rate of interest charged to borrowers of Land Mortgage Banks to the present level of 5 per cent, and any attempt to put up such rates at this juncture will not only have the effect of driving them to the ordinary sowkar, who is now steadily keeping pace with co-operative institutions in his rates of interest, but will also result in perpetuating their load of debt. It is important to keep in view the fact that ordinary money lenders in the moffusil are prepared to lend at the bank rate on securities acceptable by Land Mortgage Banks but without the trouble and inconvenience now experienced by borrowers of Land Mortgage Banks. An extention of the period of repayment even to 40 years, as seems to have been urged in some quarters, does not by any means provide the real solution to the problem. It should not be forgotten that if the period of repayment is made unduly long, the aggregate amount of debt repayable will enormously increase and the estimated repaying capacity is likely to be seriously affected by the untimely death or sickness of the earning members. Complications are also likely to arise by disruption of the family property by partition, alienation or otherwise, which it may not be easy to foresee at the inception of the loan.

The present rates of interest have been fixed with due regard to the conditions of the money market and after due deliberation and prolonged discussions in the Executive Committee of the Central Land Mortgage Bank, of which the Registrar and a Government Nominee are important members. It is hoped the Government will bestow their earnest attention to the subject and set their face against any proposal which will involve the helpless agriculturists in payment of enhanced rates of interest.

The Co-operative Land Mortgage Bank Movement

By Rao Bahadur A. Rajabadur Mudaliar.

Land Mortgage Banks on a co-operative basis were first established in this province over a decade ago, the first bank having been started at Conjeevaram, of which I happened to be the first president. The object of these banks was to secure long term money by the issue of debentures in view to help ryots with loans required for long term purposes and to enable them to repay their loans in easy instalments during a long period. The debentures were originally issued by the primary banks themselves but later the Madras Central Land Mortgage Bank was established for this purpose to facilitate the borrowing of cheap money at the lowest possible rate of interest. This Bank had the good luck to be in the able hands of the late distinguished Sir M. Ramachandra Rao, whose personal care and zeal in building it up are too well known. His successor, Mr. T. A. Ramalingam Chettiar, has been no less devoted and zealous in safeguarding its best interests. The eighth annual report on the working of this Bank which has just been issued for the year ending 30th June 1937 is a creditable record on which Mr. Chettiar and his committee deserve to be congratulated. The gratifying feature in the report is the increasing importance which is rightly attached to the work of primary banks, as the prosperity of the Central Bank depends on the successful working of the primaries. The report discloses that of the 93 banks which worked during the year 63 worked at a profit and 30 at a loss, 25 of the latter being of more than three years' standing. That as many as thirty banks had to eat their own capital instead of the income from it is not a satisfactory feature and must be a warning to place the primaries on more stable foundations. A close examination of the figures given of the banks which worked at a profit shows further that the profit in several banks was only nominal as it was not sufficient even to declare a dividend of 1 per cent on shares. No bank can be considered to have done well which could not declare a dividend of at least 3 per cent on the shares of its members. In this view only 46 banks out of 93 can be considered to have worked satisfactorily, in other words 50 per cent of the banks have not done well. It is obviously essential therefore to examine every primary bank which failed to earn a reasonable profit for reasons for the failure. The loss in the

'Loss' banks cannot be attributed to failure to collect any interest due, as there are no interest overdues in these banks except in five of them. On the other hand 29 of the 38 banks which had overdues of principal and interest worked at a profit. The loss, therefore, should be attributed to excessive cost of management. A perusal of the figures furnished in the statement appended to the report shows that banks which had kept their charges within reasonable limits with reference to the loans issued by them have earned a decent profit, while those which spent excessively on their establishment, T. A. and other contingent charges have either had a loss or a merely nominal profit. It is desirable therefore to cut down the cost where it is excessive. A common scale of pay with reference to the work of each bank and a common scale of T. A. may be helpful to effect economy and foster also discipline, the importance of which was recently emphasised by the Honorable Minister Mr. V. V. Giri.

Conferences.

THE EIGHTH MADRAS LAND MORTGAGE BANKS' CONFERENCE.

At the Eighth Annual Conference of Land Mortgage Banks in Madras Presidency, which took place at Madras on the 26th of November last Mr. T. A. Ramalingam Chettiar, President of the Central Land Mortgage Bank, made the following speech while requesting the Hon. Mr. V. V. Giri, Minister for Industries and Labour, to open the conference and while welcoming the representatives of the primary banks to the conference.

Agricultural Indebtedness.

"The Government is seriously considering a radical scheme for liquidation of the indebtedness of the ryot. I have repeatedly expressed my view here and elsewhere that the real question to be tackled is the unremunerative nature of the agricultural occupation and the want of subsidiary occupations for spare members of the agriculturists' family and for the spare time of even those engaged in agriculture. But at the same time the accumulated debt is a serious problem the ryot has to contend against and the interest he has to pay takes away a large portion of his agricultural income. While for a permanent improvement in the position of the agriculturist other steps have to be taken, it is urgent that he should be relieved of the crushing burdens of over-taxation, uneconomic rents and heavy interest charges. Without relieving the ryot of his indebtedness he cannot be given a fair start. So, the liquidation of the old debts of the ryot has to be tackled. But at the same time care should be taken that in scaling down the debts, no scare is created which will prevent accommodation being given to the ryot for his ordinary needs. It should not be forgotten that the ryot needs finance for his cultivation expenses, for paying taxes and for maintaining his family. He first borrows for these needs and then pays what he has borrowed from his produce. If adequate accommodation by way of credit is not available to the ryot for all these purposes cultivation itself will suffer and the position of the ryot will be worse than what it was before.

In any scheme of scaling down debts, it is not enough if the accumulated amount is reduced. The ryot has, in addition, to be relieved of even the reduced burden by an advance from some agency which will collect the amount with such interest as may be fixed in easy instalments extending over a long period of years. Without this, the ryot cannot be saved. Various agencies have been suggested for these purposes. In Bhavanagar the State itself boldly undertook to foot the liquidation process by raising a loan and collecting the dues from the ryots in equated instalments spread over 20 years along with the land revenue. This will no doubt be the best method if the Government can undertake it. The second proposal that has been made is that of issuing debentures, with or without the guarantee of the Government, to the creditors themselves for the reduced debts. This will be unpopular for the reason that the creditors whose debts have been considerably reduced by the scaling down process should not also be made to take their money in instalments spread over a long period and many of the creditors are themselves debtors in their turn and they will have to meet their liabilities. The third method is that of allowing the ryot to make his own arrangements for payment with some facilities given by the Government, by way of help to land mortgage banks and other institutions working for the purpose. The ryots who can satisfy the requirements of credit of a business standard form only a proportion of those indebted. The rest will have to sell the whole or a portion of their holdings. Even those who can get credit on business terms can afford to pay in instalments only if they can get money cheaply and arrangements are made for making money available to them on easy lines. It is the duty of the Government at least to render help to secure this.

Land Mortgage Banks were started for doing an essential service to the ryot by supplying long-term credit for the purpose of liquidating the old debts and starting with a clean slate. The Land Mortgage Banks are essentially borrowers' Banks started for the purpose of getting money on the easiest terms possible. Investigators in rural economics are generally of opinion that the income on agricultural investments does not exceed 3 per cent. Such being the case, the interest will have to be paid by the ryot when it is higher than 3 per cent from the wages of his own labour which he will be entitled to even if he works on other peoples' lands. So it is absolutely necessary that the rate of interest should be as low as it is possible to make it. The rate of interest charged by the Land Mortgage Banks has been brought down to 5 per cent with effect from 26—8—36. It will be a great pity if for any reason proposals should be made to raise the rate of interest which already is 2 per cent above the estimated income on agricultural investments.

I have to state that even though eight years have passed since the Central Land Mortgage Bank was started, there are only 94 primary banks working in the Presidency covering about 100 taluks. There is still a very vast field to cover. It is absolutely necessary that the whole province should be covered if the question of long-term credit has to be tackled in an organised and serious manner. This is not a mere matter of business, bnt a matter of general national concern. The Government has to feel its great responsibility in this matter. Simply because some land mortgage banks and a Central Bank have been started, it cannot throw all the responsibility on these bodies and take credit for the few

facilities they have given to these banks. The Government has to change its view point. The land mortgage banks, with a Central Bank at their head, are doing a service which the Government ought to do themselves, and they are doing this service at a very much less cost to the Government and to themselves than any Government agency can do. I hope this aspect of the matter will appeal to the Government in solving the problems that still remain to be solved and also in all future discussions.

It is my duty and a very pleasant one to acknowledge our indebtedness to the Government and to the several Ministers and Finance Members who were in charge from the time the Central Land Mortgage Bank was started. They were all of them considerate and prompt in helping this Bank. While the Central Land Mortgage Bank is anxious to build on solid and secure foundations and has been following methods and principles which have been considered sound, changes are proposed which inevitably will lead to increasing the burden on the poor suffering ryot. The Government seems to be trying to get out of its responsibility for looking after the co-operative institutions and for the expansion of the movement. Even the facilities that were formerly given by way of immunity from payment of stamp duty and registration fees are being withdrawn. I may take this opportunity to appeal to the Government not to yield to the over-zealous officers who in the name of economy and saving to Government may suggest proposals which ultimately will work great hardship to the ryot.

Sinking Fund Unsuitable.

I have in this connection to refer to two matters which are under negotiation with the Government. One is the question of the introduction of a scheme of sinking fund in place of the Debenture Redemption Fund. Under the Debenture Redemption Fund scheme, the Central Land Mortgage Bank raises money on debentures and it is lent to the ryots who pay an equated amount every year and discharge the debt in 20 years. The collections towards principal are placed in the Debenture Redemption Fund. Hitherto, every six months lots were drawn among the debenture holders and debentures to the extent of the principal collections were redeemed. As this system led to insecurity in investments, our investors wanted the period of redemption should be fixed. In view of that, the bank proposed to take away this drawing of lots and compulsory redemption of debentures and substitute the purchase in the open market of the debentures of the requisite series to the amount of the principal collections. When such debentures are not available, the collections will be invested in Government securities and debentures will be purchased when available. The principal collections will be placed in the Debenture Redemption Fund and no portion of it will be utilised in any way. This scheme has worked all right so far. There has been no demand on the part of any investor to change this scheme. Now, on the advice of the Reserve Bank, the Government is asking the Central Land Mortgage Bank to institute, in place of this debenture redemption scheme, a sinking fund scheme under which sufficient money, to make up with interest 1/20th of the amount of debentures issued in a series, will have to be put by every year and at the end of the 20 years the debentures will be redeemed. This scheme has got several defects. In the first place, the collections towards principal by the bank are not the same every year. They are naturally less in the earlier years and more in the later years. The result of adopting the sinking fund scheme will be to put by more than what is collected by way of principal in some years, with the result that it may necessitate the raising of the rate of interest to the borrowers. It cannot be said to be sound also because, the amount outstanding as debentures will not be the same as the principal amount due to us on the mortgages. The original policy was that the amount due by us to debenture holders should be the same as the principal amount due to us on the mortgages. This principle will have to be given up. It should also be remembered that we are lending money only up to a maximum of 50 per cent of the value of lands mortgaged to us and our valuation is always complained of as too conservative. So, there is absolutely no fear about the security for the debentures. It is also well known that we scrutinise the repaying capacity of the borrowers very carefully and so it cannot be expected that the defaults will be very many at any time. Our past experience has been that so far as this bank is concerned, there has been no default at all. We have also got our share capital and the several reserves we have created to meet every contingency that may arise in meeting our liabilities even if there was default in a few cases. We are building up, in addition to the ordinary reserve, a bad debt reserve and a Debenture Redemption reserve. There is no possibility of our lending transactions coming to a stop. All the symptoms show an ever increasing business. Such being the case, there is absolutely no reason why a mathematical and a theoretical security should be imposed on the bank by way of the sinking fund scheme. The sinking fund is no doubt a proper method for the liquidation of loans when taken by a public body or the Government which have to depend on revenue collections and which have no earmarked sources out of which the loan has to be repaid. In the case of the land mortgage bank the debenture loan is lent and is always available to contribute towards the payment of the loan. I for one cannot understand the anxiety felt in some quarters about the redemption of debentures under the scheme we have proposed. I will appeal to the Government to consider the scheme in all its aspects and its effect on the bank before coming to a decision. I will also mention that there is a possibility, in the range of 20 years during which the sinking fund will have to run, of depreciation of the securities purchased.

It may also happen that we are not able to get for our investments from the sinking fund the expected income. In these cases the bank will have to incur heavy losses. If we have to pay incometax and supertax on the income from the investments from the sinking fund, as we are advised we have to pay, the whole of the margin of one per cent will be exhausted and we will be forced to raise the margin and increase the rate of interest to the borrower.

Claim for Government Help.

The second matter I have to refer to involves a matter of principle and help to be given by the Government. The Government have been giving free of cost the services of Deputy Registrars and Sub-Deputy Registrars to inspect the banks and their working and to check the valuation of the hypotheca. I have to state that each land mortgage bank has got its own staff of supervisors, clerks and directors who attend to valuation of hypotheca and legal advisers who advice on the title to lands offered for mortgage. They are, therefore, bearing the cost of what scrutiny and valuation they consider necessary. The Sub-Deputy Registrars, who are appointed by the Government and who work under the Registrar and not under the banks, check the valuation after inspecting the fields and also examine the records as to title. This is partly necessary for the purpose of helping the banks and partly to safeguard the interest of the Government who are the guarantors of the debentures and the Registrar who is the Trustee for the debenture holders. The inspection of banks is one of the ordinary duties performed by the Co-operative Department for all co-operative institutions. The work of the Sub-Deputy Registrars is being supervised and checked by the Deputy Registrars. So the work of these officers is of a threefold character and only with reference to one portion of their work they can be said to work for the banks. I have already referred to the responsibility of the Government in divising means to relieve the ryot of his indebtedness. Taking all these into consideration, one would have thought that the Government would bear at least this portion of the cost of running the land mortgage banks which have their own establishments, have to pay dividend to the share-holders and build up a satisfactory reserve and also to make provision for bad debts and to meet emergencies. Instead of that, the Government wants the banks themselves to bear the cost of these officers and they have declined to sanction any additional establishment for expansion even though a very large portion of the province has still to be covered by land mortgage banks. The Central Land Mortgage Bank has, after an ineffective protest, agreed to pay the cost of the Deputy Registrars and it has been paying the same for the last two years. Now the Government want the primary banks to pay the cost of the Sub-Deputy Registrars. As I said, they are already incurring heavy cost for their own establishments which attend to all work. Many of them are still working at a loss. Several of them have been started within recent times and there are many to be started hereafter. To ask all these banks to pay a contribution is hardly fair. It has been suggested that the banks may raise the rate of interest to the borrower for the purpose of paying contribution to the Government. The proposition itself sounds very ungenerous. Some of the banks have got large dealings and they are working at a fair amount of profit. Why should all the banks be asked to raise the rate of interest is a question that will naturally be asked. I would appeal to the Government that in this matter of rendering help by way of service they cannot look at these matters as a business transaction and impose all sorts of conditions on account of the guarantee they are giving for the debentures issued by the bank. They may consider their responsibility to act as partners in the scheme of giving relief to the ryot and bear at least this portion of the cost.

The recent order imposing half fees for encumbrance certificates required by the Land Mortgage Banks is felt to be heavy and is working as a deterrent to people resorting to land mortgage banks. In cases where lands to be mortgaged bear different numbers and more so when they are distributed over different villages, more than one set of fees are charged and the amount comes to a pretty big item of expenditure. I will appeal to the Government to pass early orders restoring the old facilities which were taken away by an order of the Interim Ministry.

I have alluded to the various matters which are pending with the Government. I will appeal to the primary banks to make themselves more efficient, avoid delays about which there is complaint now and then and make themselves more and more useful to the members for whom we are existing. One matter about which frequent complaints are heard is the prevalence of party or factious spirit in the Directorate of banks. While we have every one of us got our own politics, national and local, as co-operators we are brothers working for the same cause and we should not allow any differences that may exist among us to mar in any way our management of the co-operative institutions. In many places, I am happy to note, co-operators work together in amity even though they belong to different political parties. But I should like that even in those places, where differences now embitter the relationship and efficiency in Directorates of banks, the co-operative spirit should prevail.

I am again glad to be able to state that there has been no arrears due to the Central Land Mortgage Bank from the primary banks on the 30th June 1937 and that the banks continued to work generally efficiently and harmoniously.

Now I have very great pleasure in asking the Hon'ble Minister for Co-operation to open the conference. The Hon'ble Mr. Giri is a seasoned

public worker. Even though co-operation may be a new subject to him, he has always espoused the cause of the poor, the helpless and the down-trodden. In this country, where 80 to 90 per cent of the population are agriculturists and the ryots are the most unhappy lot here and elsewhere, I have absolutely no doubt that the Hon'ble Mr. Giri will strain every nerve to better their condition and to help them in all possible ways. He has already shown a keenness to study the problems relating to co-operation. He is above all a Congressman holding office under the Congress regime. So, people are naturally entertaining great expectations of him and the progress of the movement under his care. I request the Hon'ble Mr. Giri to open the Conference."

Hon'ble Mr. V. V. Giri's Speech.

In opening the Conference, Mr. Giri said :—

"Of the many functions in which I am privileged to take part, none gives me greater pleasure than those connected with the Co-operative movement, specially those started and working for the relief of the indebtedness of the ryots. Addressing as I do those engaged already in the arduous and important task of affording debt relief, I need not quote facts and figures to impress on you the enormity and the complexity of the problem requiring an immediate attention. That the load of debt, both productive and unproductive is pressing very heavy and hampering the development of agriculture, the main occupation in our Province, is a fact well recognised. Realising the gravity of the situation the Government, as you are aware, are now seriously engaged in formulating measures of debt relief. I need hardly assure you that in any scheme of redemption from debt, the Land Mortgage Banks, which have already played no unimportant part, are bound to take greater share in the solution of the problem. So, any suggestions offered by your Conference on this important question will receive the consideration they are entitled to get. When the proposals now under the consideration of the Government are published, I have no doubt you will extent your hearty support and co-operate with the Government in a larger measure in solving the problem of rural indebtedness.

I have perused with great interest the reports of your Bank. It is a record of work of which any body of public workers may be justly proud. Your work is of a kind which does not lend itself much to publicity. But it is hard and honest work, demanding much time and energy which you have ungrudgingly given without any idea of reward. I can visualise how your efforts have brought hope and cheer into many a family and have rescued them from misery and degradation. You have justly earned a reputation all over India as pioneers in the successful working of the Land Mortgage scheme. May I avail of this opportunity to convey to you on behalf of the Government of which I happen now to be a part, their sense of gratefulness for the quiet and unostentatious work you are doing and assure you, if assurance is necessary at all, that to the utmost extent possible consistent with their responsibility to the tax-payer, the Government are prepared to strengthen you in your efforts to tackle the problem of rural indebtedness.

Your distinguished President and my esteemed friend, Mr. T. A. Ramalingam Chettiar, has been ever alert not to let go any opportunity to represent your point of view on many questions which are pending negotiation and decision. That the Government yet keep an open mind must have been evident to you from the fact that I had the pleasure of accepting an amendment moved by Mr. Ramalinga Chettiar in the Madras Council to the resolution sponsored by me on behalf of Government in regard to maximum amount of guarantee in respect of debentures issued by the Madras Central Land Mortgage Bank. Since then we have had the advantage of discussing the matters over again with the Deputy Governor of the Reserve Bank of India and your representatives. All the points of view presented during the discussions are under the careful consideration of the Government. I regret very much I am not yet in a position to announce the decisions of the Government. But however, I may be permitted to state, that in matters such as those under consideration, the Government cannot be expected to brush aside easily the suggestions of those who are competent to advise them on financial questions. To my mind it does not matter much whether we decide in favour of the Sinking Fund or the Debenture Redemption Fund as both are designed to meet the obligations when the time for redeeming them comes, as long as the burden of repayment of instalment towards principal and interest on the ultimate borrower is not unduly heavy and the rate of interest charged is reasonable. You will forgive me if I cannot say more on the questions at issue just at present.

In the discussions on the problems relating to Land Mortgage Banks, I find reference is made to the help rendered by Government to such institutions in other countries, especially in England. But I am sure it is realised that the constitution of those credit institutions, the sources from which their funds are drawn, the repaying capacity of the borrowers and other matters are different from those obtaining in our country. Inspite of the varying conditions, the Government of our Province have not been unmindful of your difficulties and to the extent possible and necessary you have received their unstinted support. If more is asked and it is not easily complied with, it is not because that the Government are blind to your difficulties but that they are equally, perhaps more painfully, aware of the difficulties of those who are still less fortunate than those whom your Banks are serving. No one can question the well recognised dictum that the good of the largest number must always secure preference. Therefore to the extent possible, without seriously impairing the finances of the Province, the Government will consider sympathetically your claims for various concessions you have asked from time to time. If I may venture to make an appeal to you, I request you to see that the benefits from your Banks reach a large number of small ryots, that the period of repayment is extended, that delay in sanctioning and disbursement of loans is minimised, and above all to reduce the overhead charges to the minimum extent possible.

Let me once more thank you for the opportunity you have given me to meet you, veteran co-operators of our Province. I only hope when the decisions of Government on the many questions outstanding are announced, you will not be unduly critical but will consider them in a spirit of hope and charity and give credit to Government that they have gone with you to the utmost extent possible."

Correspondence.

I

Mr. K. BHASHYAM AIYANGAR'S MEMORANDUM

I had the privilege of reading the memorandum prepared by Mr. K. Bhashyam Iyengar with regard to the reorganisation of the Co-operative Movement.

I fear that the fundamental principles of the movement have been ignored. The basic principle of co-operation is that the borrowers, for whose advantage the movement is being pulled up, must have the final control over the whole movement. But in the scheme propounded by Mr. K. Bhashyam Iyengar on the grounds of efficiency he wants to give the whole control to the Provincial Bank and make the other Banks their agencies. The result will be that the borrowers for whose advantage the movement is being pulled up will not have any control over the organisation. The Provincial Bank will not know or understand the difficulties, hardships and necessities of the actual borrowers. But like all Joint Stock Banks which have a net work of branches the Provincial Bank will become a centralised machinery for earning profit without regard to finances and interests of the agricultural borrowers. Therefore abolishing the Central Banks or making them the agency of the Provincial Bank is quite outside the principles of co-operation and should never be attempted. The Central Bank must be made the pivot of the co-operative movement and the Central Bank must be controlled by the agriculturist borrowers themselves and the Provincial Bank and the Reserve Bank must only come in as a sort of adviser and helper whenever the Central Bank requires their help. But if the control is to vest in the Provincial Bank the whole principle of co-operation would be lost. But this does not mean that all the Central Banks must exist as they are. Especially in Andhra districts there are several Central Banks even in a single district. Some of them may conveniently be amalgamated and the principle of having one Central Bank for one Revenue district may with convenience be adopted. The other ground that the Central Banks may not be able to borrow and lend to the primary societies at low rates of interest as the Provincial Bank will do, is a misconception and is not founded on facts. The present finances of most of the Central Banks are such that they are able to finance the rural credit societies without having recourse to the Provincial Bank at all, and the borrowing rates of the Provincial Banks and Central Banks are more or less the same. The Central Banks are now lending at 4 per cent and 5 per cent to primary societies and many of the Central Banks are in a position to compete with the Provincial Bank even in their lending rates to societies. Want of funds to the Central Banks is also a mirage. Therefore on that ground also the central organisation and control by the P.C. Bank is absolutely unnecessary. Perhaps Mr. Bhashyam Iyengar being an urban representative may not know how the agriculturists and the members of the primary societies control the Central Banks themselves.

I would demur to the statement of Mr. Bhashyam Iyengar " that all village societies are practically managed by the officials themselves, and the local panchayatdars never did or said anything which was opposed to official advice or opinion." Perhaps a few societies here and there may pander to the taste of the officials but most of the village societies will not budge an inch to the official opinion if their requirements were not satisfied. I am really at a loss to see the distinction drawn by Mr. Bhashyam Ayengar on the work of the Indian Registrars and non-Indian Registrars. The race of the head of the department has nothing to do with the administration. The administration is carried on by the Registrar and the policy is dictated by the member in charge and I may say the policy is most efficiently and thoroughly carried out by non-Indian Registrars who don't go out of the way to pander to the local taste. But I hold no brief that a non-Indian must be appointed to the post of the Registrar. I hope in time Indians will be appointed to the post of the Registrar. The control of the movement by the Supervising Unions is certainly good, and sufficient finance for these supervising unions is to be provided by the Central Banks in their budgets.

I am really sorry that Mr. Bhashyam Iyengar focuses his wrath upon the Communal G.O. and wants to draw some inference that it was deterimental to the interests of the movement. The movement rests upon the personnel selected. I don't know why the communal G.O. is inapplicable if proper men could be selected to fill up the posts. When there are proper persons in all communities I don't see any reason why the communal G.O. should be condemned. I would like that all entrants to the Co-operative Department must be agriculturists and not the middle class Brahmins or Vellalas who are not practical agriculturists but who belong merely to the middle class aristocracy living upon Government service alone. It is suggested by Mr. Bahasyam Aiyengar that the Tinnevelly District Bank and the Srivilliputhur Bank may be amalgamated with the M. R. C. C. Bank. It is highly impossible to have the 3 banks amalgamated into one. It would be highly unwieldy and the business is so great that one bank could not control the transactions of the 3 districts together. To try to bring all the 3 districts into the management of one Central Bank and to bring them under its control will only entail very heavy expenditure and therefore it should be avoided. There is much scope for expansion in the Tinnevelly and Srivilliputhur Banks and instead of amalgamating them with the Madura Bank, the

movement must be widened and wider scope must be given to Tinnevelly and Srivilliputhur Banks so that they may expand the movement.

Of course wherever possible even a group of villages is formed into a society. But further amalgamation would be of no use. When, after the report of Reserve Bank and the expansion of the non-credit activities, the movement is trying to organise multi-purpose societies, the area of operation of these societies must not be too large. It is also not necessary in the present state of circumstances to have a paid servant for every primary society. We have tried in this district paid servants for group societies and it has been working fairly well. With the advent of multi-purpose societies necessary paid staff could be recruited as and when business develops. The primary bank, whatever it may be, will never command the confidence of the public at large, nor be a substitute for Central Banks.

The Provincial Bank has now undertaken or rather is now prepared to finance sale societies direct. That is totally opposed to the movement. Why should the Provincial Bank subsidise and lend money upon produce? Then it is only a Joint Stock Bank advancing money upon produce. There are Central Banks which will advance money upon produce at the same rate at which the Provincial Bank could lend and the Central Banks can exercise better supervision than the Provincial Bank.

Therefore I will never advise the Provincial Bank to have any direct dealings with the sale society or with any primary society. It is only when the Central Bank is not able to cope up with the business, it must seek the help of the Provincial Bank and if it attempts to help the primary society direct, then it will rather become a Joint Stock Bank lending to a sale society and the local agriculturists who are borrowing from the sale societies will not have any voice in the operations of the society itself. Their voice could only be focussed and made heard in the Central Bank and not in the Provincial Bank.

The warehouse difficulty can also be solved with the expansion of warehouse keeping by sale societies.

T. NARAYAN,

Vice-President, M. R. C. C. Bank, Ltd., Madura.

II

A NEW JUDICIARY.

Your issue for September 1937 gives publication to a circular No. F. 7005/36 prescribing fees on references made for arbitration, monetary or otherwise, under S.51 of Madras Act VI of 1932 and Rule XV 5 (*a*) of the rules framed thereunder. I am amused to note that a new 'Co-operative Judiciary' is coming into existence with provisions for the levy of court fees in cash; but without the attributes and requirements of the civil judiciary. The said rule and circular thereon appear to me to be against the best interests of the co-operative movement. One can well foresee what results will follow these provisions. There will be facilities provided for the growth of fraud, despotism and self-aggrandisement. The democratic spirit will be stifled. Self-seekers will find plenty of scope for their profit.

If the Legislature could be rightly understood, the motive and spirit underlying the provisions made in the Co-operative Societies Act of Madras (or of India) for ousting the jurisdiction of the Civil Courts and enabling references for arbitration to the Registrar,—in spite of the absence of legal training for the officers of the Co-operative Department,—can only be with a view to save the movement from costly litigation and the trammels of the civil court. Rough and ready justice and a matter-of-fact disposal must have been intended to be more beneficial to the proper growth of the movement than the expensive, dilatory and technical nature of justice administered by the ordinary civil courts. One can well understand the legitimate desire to put an end to frivolous and vexatious references touching disputes; but any endeavour in the direction should be with a view to eradicate that evil and not to give room for worse evils to creep in. The direct effect of this new dispensation will only be to discourage the ventilation of honest and real disputes; while references of a frivolous and vexatious nature will continue unabated. To say that the imposition of a financial burden will tend to diminish such references will only be an argument in a vicious circle. It would be only the right minded, aggrieved person who will be scared; and not the person who has a motive to spite another. It is a well-known maxim of the common law that a hundred guilty persons may escape punishment rather than that one innocent person should be convicted. In a similar manner, I would have it that a hundred frivolous references are tolerated rather than that one just cause should be stifled by the imposition of a financial burden and penalty.

Although there is factious spirit and spiteful motive underlying many disputes among the followers of the movement, a proper conception of one's rights and privileges coupled with a strong desire to safeguard them jealously, has yet to grow in the movement. A levy of Rs. 50 on each reference involving no money claim along with a compulsion to resort only to a reference to the Registrar in all such cases as the only way of securing justice cannot but be styled as exhorbitant in character. The most prolonged of trials in civil courts are to be had on payment of fees which are insignificant compared to the levy demanded by the circular.

In spite of a quarter of a century of work the real situation in the movement is that most members have yet to know what their rights and duties are. It will not be an exaggeration to say that even to-day the vast majority of members of co-operative societies look to the secretaries and presidents as persons who alone can confer on them the boon of loans; and do not for a moment think that they are merely office bearers who are appointed by themselves to serve them truly and honestly. In these circumstances, to require anyone who has the courage to seek redress against a wrong committed by a secretary or a president of a Board to pay Rs. 50 before he seeks the same, will only be to penalize and prevent the aggrieved from seeking protection and help the perpetrators of the wrong. I hope and believe that those who are in the front ranks of the movement will see the hardships and difficulties that the circular of the Registrar will entail. It will be seen from the circular that the new rule and the circular thereon are one of the boons conferred on the public by the 'Interim' Ministry. I am quite aware of several abuses in the movement which require control with a strong hand. The same cannot however justify the adoption of rules and regulations that will only lead to worse evils. I can cite an instance of what happened in a big society. The president of the society became interested in a building adjacent to the one owned by his society: and for the better use of his own premises, the vacant site round about the society's building became necessary. By some process of circumvention, the board of the society, who are a 'happy family' decide to sell the vacant site of the society, so necessary for its present progress and aftergrowth and expansion, to one of themselves, who is no more than a benamidar for the president; and for a price grossly inadequate, without the knowledge or consent of the general body. By a next step, the property sold is conveyed to the president by his confidant. *Prima facie*, this looks a simple enough matter. It is quietly done; and does not attract the notice of the members of the society; possibly even the auditor cannot smell a rat. The fear of a 'boss' president who has a large enough following of borrowers and the desire to avoid trouble to themselves on the part of others in seeking a rectification of the scandal results in loss to the society. In such circumstances, who can pay the levy of Rs. 50 and dispute the transaction? I have no doubt whatever that the levy will work great hardship upon the honest and aggrieved public.

E. S. GANAPATHI AYYAR,

III

SECTIONS 20, 46, AND 51 OF THE MADRAS CO-OPERATIVE SOCIETIES ACT.

Mr. Acharya has raised an important point of Law under sections 20, 46 and 51 of the Madras Co-operative Societies Act VI of 1932 which appears in your October issue. I have not got before me the Madras Act but for your reader's information I am inclined to give my impressions on the point raised by him. Under the Bombay Act VII of 1925 when the Registrar thinks that the affairs of any society require to be wound up, he first passes an order to wind up its affairs and appoints a liquidator for the purpose under Section 47. And when the affairs are completely wound up, he passes an order for cancelling the registration of the society under Section 49. Again the liquidator is authorised with the Registrar's sanction to get disputes referred to arbitration under section 50. Cls G. It will thus appear that the difficulty raised by Mr. Acharya does not survive under the Bombay Act. In fact, it has kept the society existing till all its affairs are wound up. It has also recognised the necessity of arbitration proceeding during liquidation period and has therefore specifically conferred up on the liquidator, the power to get disputes referred to arbitration. I therefore venture to suggest that there is no legal objection in the liquidator taking the arbitration proceeding under the Bombay Act, and if there is any doubt in the provisions of the Madras Act the same may conveniently be got amended on the lines of the Bombay Act.

PRANVALLABHDAS BANATWALA,
(*Rao Sahib, Dt. Jambusar.*)

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News and Notes.

The Government of Mysore have raised the period of limitation for suits brought by or on behalf of co-operative societies to a period of six years, that is, double the ordinary period. This was recommended by the recent Committee on Co-operation and approved by the Judges of the High Court.

* * *

At a conference of supervisors working under the Madura Ramnad Co-operative Central Bank held at Madura at the end of November, one of the resolutions passed recommended the reduction of supervision fund collected from societies from annas eight to annas four and the meeting of the resulting deficit from the general funds of the district banks. One would like to know what the district banks think of this proposal.

* * *

At the All-India Khadi and Swadesi Exhibition held at the Congress House, Madras, the Madras Provincial Co-operative Union exhibited its magic lantern and slides, while the South India Co-operative Insurance Society joined hands with it in doing co-operative propaganda at the Exhibition.

* * *

We are pleased to note that out of the 14 societies forming the Srivaikuntam Tiruchendur Co-operative Audit Union, as many as 6 are classified as A, 3 as B, 3 as C, 1 as D, and 1 as unclassified. The movement is apparently in an exceptionally efficient state in that area.

* * *

Dewan Bahadur Sir M. Krishna Nair opened at Palghat on 10th December last the Mahila Co-operative Stores of which a feature of special interest is the fact that it is to be run solely by the women of the town.

* * *

It is expected that as a result of the consultations which Rao Bahadur M. Giriappa, Joint Registrar of Co-operative Societies, and Mr. Gopalakrishna Raju, Marketing Officer, recently had with the fruit growers of Puttur and Tiruttani a co-operative society for them will soon be started.

* * *

At the annual general meeting of the Council of the Victoria Technical Institute, Egmore, Mr. T. Austin, Registrar of Co-operative Societies and President of the Institute, expressed his satisfaction that during the year the sales through the agency in England had appreciably progressed. He regretted that, barring the Kondapalli Toy Makers' Co-operative Society near Bezwada, few goods were being received by the Institute from co operative societies for sale. As Registrar of Co-operative Societies, he said, he had instructed his officers to put those engaged in cottage industries in touch with the Institute. We hope these efforts will be fruitful.

At the Rural Exhibition held at Gadithamadugu village, in Kurnool district, from the 16th to 18th of December last, the following societies exhibited the articles mentioned against them.

Kurnool Swadeshi Stores ...	... Khadi.
Kurnool Handloom Carpet Weavers Society.	Carpets, Tapes, and Hand Bags.
Kurnool Basket Makers C. S.	... Baskets etc.,
Parla Kumbli Weavers C. S.	... Cumblies.
Kodur Fruit Growers' C. S. ...	... Oranges.
Bellary Sales Depot of the Madras Handloom Weavers Pro. Co-operative Society.	Lace cloths, saries, shirtings.

The Kodur Fruit Growers' Society and the Handloom Weavers' Provincial Society were awarded a silver cup and a silver medal respectively.

* * *

We are gratified to read from the report of the Tuticorin Crop Loan and Sale Society for the year 1936-37 that while, as compared with the previous year, its membership increased from 225 to 304, the value of produce sold through the society rose from Rs. 3·5 lakhs to Rs. 8·2 lakhs. The chief articles thus sold were cotton, tobacco, grain, coriander, chillies, and groundnuts. The society helped its members through 6 centres where it had branches. Special mention must be made of the enthusiasm and public spirit of the president of this society, Mr. A. S. Kandaswamy Reddiar, who has not only placed several godowns at the disposal of the society but has also deposited with it Rs. 50,000 to Rs. 60,000 to help its business.

* * *

The societies of the Dharapuram Union, in Coimbatore district, were in no arrears of interest to the Central Bank and were in arrears to the extent of only 6 per cent. in respect of principal; but with regard to dues from members to the societies the percentage of uncollected arrears was 43 and 46 in principal and interest respectively. This certainly is a strange and disquieting state of affairs. We are glad to read that it is receiving attention at the hands of the authorities of the Union.

* * *

In a review of the working of the Chingleput District Revenue Subordinates' Co-operative Society for 1936-37, its first year, Rao Bahadur A. Rajabadar Mudaliar points out that out of a demand of Rs. 21,712-8-0 only Rs. 68-0-0 was uncollected, that the society was able to get as much as Rs. 24,727 as deposits from non-members at the low rate of 2 per cent interest and that since it obtained the bulk of its working capital so cheap there was no justification for its charging Rs. 7-13-0 as interest for Rs. 100 per annnm. He observes further that instead of declaring a dividend of 9 per cent, the society should have limited it to 5 per cent and utilised the balance of the net profit for giving a rebate on interest. The number of loans issued by the society was 1,859, its membership being only 274. This gives an average of 7 loans per member. Mr. Mudaliar points out that such frequency is unhealthy and the society will do well to examine the applications more carefully and satisfy itself that the loans sanctioned are in keeping with the objects of the society.

The Madura Sowrashtra Co-operative Bank which has a membership of about 2,500 has opened current accounts with a number of central and Provincial banks in important places like Madras, Bombay, Mangalore, Coimbatore, Bezwada, etc., with a view to afford banking facilities to its members and their customers. The bank charges a specially low rate of commission to its members. We commend its example to other urban banks working in important weaving centres. Feeling that the Audit Fee charged by the Madura Audit Union too heavy it had resolved to secede from the Audit Union. But the Deputy Registrar was able to persuade the Union to reduce its fee and therefore the bank has continued its membership with the Union. It declared a dividend of 4½ per cent in 1936-37.

* * *

It is difficult to understand why the directors of the Lalgudi Sivagnanam Co-operative Agricultural Society were able to publish at the end of December 1937 only the report relating to the year ending 31st March 1936. When published so late a report loses much of its interest. The object of the society is to promote better methods of agriculture among its members. It maintains a demonstrative farm wherein various kinds of crops are cultivated according to the latest recommended methods, multiplies improved seed and supplies it and chemical and other manures to its members, runs a Loan and Sale Section and maintains a breeding bull.

During the year under review it made no profit from the demonstration farm, was able to sell through branches and sub-agents manure worth nearly 2 lakhs of rupees, issued loans on pledge of crops to the extent of 22,000 rupees and earned a net profit of about Rs 3,600. The society is now conducting demonstrations on leased land. It proposes to buy some 20 acres of dry and wet land and conduct the demonstrations thereon.

* * *

On the 12th December last when the annual general body meeting of the Orthanad Supervising Union was held, 15 societies were selected in the union for introducing "the controlled credit system" in them. In the evening a conference of ryots of about 20 villages around Orthanad was held under the presidentship of Mr. Nadimuthu Pillai, M.L.A., when the benefits of controlled credit, consolidation of holdings, arbitration and other activities of co-operative societies were explained to the ryots.

* * *

Some joint stock insurance companies appear to be quoting higher rates for co-operative institutions which insure with them agricultural produce against fire, than they do to joint stock banks. Some loan and sale societies in the W. Godavari District have sent a protest against this to the Madras Fire Insurance Association and have informed it that if they are not treated fairly they would approach the South India Co-operative Insurance Society to open a branch for this business. One would think that it may be done independently of the reason mentioned above.

* * *

On the 6th October last the General Secretary of the Japanese Union sent the following telegram to Mr. H. J. May, General Secretary of the International Co-operative Alliance :

"I deeply regret to hear anti-japanese feeling is being stirred up in your country owing to groundless and irresponsible Chinese propaganda. It was only after putting up with long series of insulting and provocative actions of China that Japanese nation resorted to self-defensive action, their object simply being undermining of anti-Japanese activities of Nanking Government and establishment of eternal peace in East Asia. I earnestly hope your people would see true picture of situation from fair and unbiassed stand-point and not resort to any hasty action."

Mr. May replied promptly as follows :

"Your telegram just received It is not true that anti-Japanese feeling is being stirred up in Great Britain by Chinese propaganda. The facts alone of the present happenings in China are sufficient to arouse world wide indig-nation which we believe the Japanese pepole must share. British people and all other peoples who love justice and freedom are filled with horror and detestation of the crimes against humanity now being perpetrated in China by Japanese military forces."

Of course there was a rejoinder. But it will suffice for us to note that the Executive of the International Co-operative Alliance after full considera-tion confirmed the action of Mr. May and the terms of his telegram quoted above.

* * *

In Soviet Russia in 1936, 40,000 employees and officials of co-operative societies received technical instruction from groups of teachers who visited local societies, 2,500 received instruction through correspondence, 60,000 in short courses varying from one to three months, and, 3,000 in 17 colleges the course being three years, while about 900 underwent an advanced special course of four years at the Central Institute at Moscow.

* * *

During the month of December 1937, 725 persons made use of the library of the Government Telegraph Employees' Co-operative Society, Ltd. The number of persons who attended the reading room of the Provincial Co-operative Union during the month was 1,284.

* * *

CO-OPERATION IN SIAM.

A few weeks ago we received a copy of the eleventh report of the Co-operative Movement in Siam, that is, for the year 1932-33. It is surpris-ing that an annual report should be issued so long after the year to which it relates. Being so late, it will serve no practical purpose. There is reference in the report to only one type of society, the credit society. The year under report was one of marked expansion, the number of societies having increased from 150 to 191 and that of members from 2500 to 2935. The average membership of a society was thus only 16. On Government guarantee, the Commercial Bank of Siam finances these societies. During the year under report the Bank was authorised to increase its advances to co-operative societies from 1,300,000 Baht to 1,800,000 Baht (A Bhat is roughly of the value of a rupee). During the year the total payments made by the societies to the Bank amounted to 4. 1 per cent of the dues i.e., less than the interest due. The reason for this was partly the failure of the rice crop and partly the fall in the price of rice The average amount due by a member to h s society is about 600 Baht which appears to be pretty heavy. Considering that the area of Siam is over 200,000 sq. miles, its population about 10 millions and the movement was over 10 years old by 1932-33, the progress made by it would appear to be very slow even in the direction of credit.

Co-operation Among Sugar-cane Growers.

The Ministry of Public Information has issued a Press note out-lining the main features of the scheme formulated by the Madras Government for the purpose of assisting the organisation and operation of co-operative societies among sugar-cane growers in the Presidency. The Government of India who have been making grants for such schemes have accepted the Madras scheme.

The Press note states :—

A portion of the excise duty levied on sugar has, for the last four years, been set apart by the Government of India for distribution among provinces where white sugar is produced, for the purpose of assisting the organisation and operation of co-operative societies among sugar-cane growers so as to help them in securing fair prices and for other purposes directed to the same end. A total sum of Rs. 1,31,000 has so far been allotted to Madras. The Government of India have decided to make grants only for such schemes as are approved by them. The scheme which this Government formulated has been accepted by the Govern-ment of India and its main features are described below.

The Madras scheme will cover a period of five years and will be administered by the Registrar of Co-operative Societies, who will spend the grant through co-operative soiceties or unions of co-operative societies of sugar-cane growers in factory areas. The Director of Agri-culture will give the necessary technical advice to stimulate the cultiva-tion of sugar-cane. The scheme is meant to help the unions and societies to do their work efficiently with the help of Demonstrators of the Agricultural Department and the Inspectors of the Co-operative De-partment. It is proposed to employ eight agricultural demonstrators, 16 maistries, four senior inspectors, two junior inspectors and four clerks. Besides, provision has been made in the scheme for the grant of cash subsidy for use as capital, for purchase of implements, seeds and manure, rubber-tyred carts and necessary apparatus and equipment. A sum of Rs. 17,495 has been set apart for the purpose.

There are at present ten sugar-cane factories in the Presidency.

In Vizagapatam District the canegrowers' society or union will be located at Bobbili for the factory at Bobbili and at Anakapalle for the two factories Thummapala and Ettikoppaka. In East Godavari District the society will be located in Kirlampudi for the factory in the same place. In Kristna District the society will be situated in Vuyyur where the factory is also working. The factory at Hospet in Bellary District will have its society also located at Hospet. The society for the factory at Mailapatti in North Arcot District will be at Gudiyattam, while that of the factory at Nellikuppam in South Arcot District will be in Nellikuppam itself. In the Coimbatore District, for the factory at Podanur, the cane-growers' society will be in Coimbatore and for the factory at Kalyanpur in South Kanara District, the society will be at Udipi.

The societies and unions will :—

(*a*) introduce and grow varieties of cane best suited to the locality and the factory ; this will be done in land belonging to the members of the societies and unions : (*b*) introduce early and late maturing varieties so that the factory working season may be extended as long as possible : (*c*) maintain a supply of vigorous seed material by adopting "short crop" method in different varieties found suitable to the locality ; (*d*) adopt measures to protect the cane crop from insect pests and diseases ; (*e*) take such measures as are recommended for improvement in and for reduction in the cost of cultivation, such as, inter-culturing, manuring and irrigation ; (*f*) take measures to improve means of transporting cane to the factory, *e.g*, demonstrating the advantages of improved carts : (*g*) increase facilities for the ryots to check weighment of cane at the factory and delay in the disposal of cane, etc., and (*h*) take measures to finance cane-growers through co-operative societies at the right time, *e.g.*, for the purchase of seed, manure, harvest, etc.

The Government hope that the cultivators of sugar-cane in factory areas will take the fullest advantage of the scheme and make it a success.

Government Orders

GOVERNMENT OF MADRAS

DEVELOPMENT DEPARTMENT

G. O. No. 2203, 29th September 1937

Co-operative societies—Building societies—Loans—Rules—Rule 7—Amendment—Issued.

Order—No. 2203, Development, dated 29th September 1937.

The Government direct that for the last sentence of rule 7 of the rules for the grant of State loans to co-operative building societies, the following sentence shall be substituted:—

" If for any reason the whole amount sanctioned to a society, cannot be drawn before the close of the financial year in which it is sanctioned, the society shall be entitled to take the balance from the loan allotment sanctioned for the subsequent years, subject to the conditions in force when the first instalment was drawn. But the rate of interest on such balance shall be the rate fixed for loans issued in the year in which it is drawn. "

(By order of His Excellency the Governor)

C. J. PAUL,

Secretary to Government.

LOCAL ADMINISTRATION DEPARTMENT,

Copy of G. O. No. 4148 dated the 8th November 1937.

ABSTRACT

Funds —Investment—Local bodies—Provident fund and railway-cess fund—In Central Land Mortgage Bank debentures—Revised limits laid down.

Order :—

In modification of G. O. No. 2171, L. & M., dated 8th June 1935, the Government are pleased to permit local boards and municipal councils to invest, without reference to the Government, in the twenty-year debentures of the Madras Co-operative Central Land Mortgage Bank, Limited, guaranteed as to payment of both principal and interest by the Government of Madras, portions of the following funds not exceeding the limits noted against them :—

Fund.		Maximum limit of amount that may be invested.
Provident Fund	...	One half of the total amount at the Credit of the Fund.
Railway cess Fund	...	One third of the total amount at the credit of the Fund.

Circulars.

No. A. 7313/37.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES.
Madras, 22nd December, '37.

M. R. Ry. T. AUSTIN ESQUIRE I.C.S.,
Registrar.

CIRCULAR.

Subject:—Central Banks collection of overdues—Programme of work for 1937-38.

From a careful examination of the financial particulars of agricultural credit societies as on 30-6 1937 it is seen that there are 1801 societies in the Presidency whose good assets are insufficient to discharge outside obligations. Some of these societies are probably incapable of any improvement and may have to be liquidated in the near future. Where the deficit is not very great it must be possible to restore the society to a normal condition by the admission of new members, reconstitution of the panchayat, liberal concessions in collecting the existing loans and the disbursement of short term loans strictly within the repayihg capacity of borrowers. This kind of intensive rectification should now follow as the necessary corollary of the first part of the rectification programme when only exact statistics were gathered. The Registrar hopes that all Central Banks will pay special attention to these societies during the current year.

2. Statistics have also revealed that there are 1240 societies whose good assets are in excess of their outside liabilities. There are more than one hundred societies of this type in each of the districts of Vizagapatam, Chinglepet, North Arcot, Trichinopoly, Madura and Tinnevelly. In eight more districts there are more than fifty soc eties. The number is below 25 in Nellore, Bellary. Kurnool and Malabar. This list of 'surplus societies' comprises societies which are in a working condition and which have built up strong reserve fund etc., and societies which are dormant and which have almost no outside liabilities. In either case there is considerable scope for development. The revival or improvement of every one of these societies will give a great fillip to the movement as a whole in the district and will create a very favourable atmosphere in favour of the movement. It is the duty of all supervising and financing agencies to look into the affairs of these societies, find out the causes for their arrested development and lead them on to useful channels. The Registrar trusts that before 30-6-1938 something substantial will be doue in this direction.

(By Order).
A. SINGARA RAJU.

THE WORK OF SUPERVISORS.

We trust that the following circular regarding the work of supervisors issued by Dewan Bahadur K. Deivasikhamani Mudaliar as President of the Chingleput District Central Bank (No. 1210, dated 8th October 1937) to the supervisors of the district, will be found to be interesting and useful by other district banks and supervisors as well.

CIRCULAR.

It is observed that whenever a Supervisor visits a society, he does not attend to all items of work pending in that society. At one time he goes round all societies for the purpose of collection of money only, at another time he attends to the preparation of the annual statements and on a third occasion he runs about for the submission of a return asked for by the Bank. On other occasions he attends to certain items and omits certain others. There is no systematic method of doing work, with the result that important work is often considerably delayed or left unattended to. As no supervisor has ordinarily more than 20 societies in his charge, it should be possible for him to visit all the societies in his charge within a period of a month-and-a-half or two months. Even for the preparation of annual statements he is given two months' time. This work can easily be combined with other items of work. Collection work should be attended to at all visits and there should therefore be no special duty for this purpose. It should be attended to throughout the year and not merely during the fag-end of the year. The work in a society will ordinarily take at least one full day, if not two days, at each visit. A flying visit to attend to any particular item of work, for instance, the submission of a return called for by the Bank, often dislocates other important items of work. No return is ordinarily called for to be submitted within a period of two months, excepting in very urgent matters which are rare. All that is necessary is to do the work systematically.

2. The following instructions are issued with a view to systematise the work of supervisors and they should be strictly followed :—

(*a*) Supervisors should, as soon as possible after the receipt of this circular, prepare a list of all items of work pending to be done in each society in their charge. This should preferably be noted in a notebook kept for each society. To this list should be added from time to time new items of work arising. Items which have been attended to should be deleted from it. This note-book should always remain with the supervisors. A programme for each month should be drawn up with reference to this book and also with reference to any orders received from the Bank or the Union. The Unions have been requested to hold meetings of their Governing Bodies on or about the 20th of each month and this programme should be passed at such meetihgs. A copy of such approved programme should be sent to the Bank so as to reach it not later than the 25th. Another copy should be retained in the Union and a third copy should be sent to the Deputy Registrar or the Sub-Deputy Registrar where it is so ordered. The approved programme should not be deviated from without the sanction of the Bank. The programme should not however be delayed for the reason that it could not be passed at the meetings of the Governing Bodies. If for any reason a meeting was not held before the due date, the copy prepared by the Supervisor himself or in consultation with the President or the Secretary of the Union should be submitted.

(*b*) The first thing that a supervisor should do when he visits a society is to ask for the production of the books and documents and to check them. As soon as the checking is over—comparing the entries in the day book with those in other books, verifying receipts and vouchers and authority for receipt or payment of money, etc.,—a receipts and disbursement statement should be prepared and entered in the book kept for the purpose in the society. The Supervisor should then ask for the production of the cash balance, verify it and make a note of its production in the day book. If the cash balance was not forthcoming, he should mention the fact in his report.

3. It should be ascertained whether the periods of appointment of the panchayatdars or of the managers of societies have expired or are about to expire. Suitable action should be taken in these cases without postponing the elections. The administration by a manager under model bylaw 62 of the bylaws for rural societies should be the exception. No manager should be appointed for an indefinite period. The bylaw on the subject requires that a man or a body of men should be appointed only for a specified period. In the case of societies which are under the charge of managers at present, action is to be taken to replace them in all possible cases without further delay by panchayats. In the case of societies where it is necessary to retain managers, new resolutions should be got passed by the General Body naming a man or men and mentioning the period for which he is or they are appointed It should be possible in a majority of cases to replace the managers. A revised model bylaw will be issued very soon and this should be introduced in all cases where managers are still necessary. Forgetting that appointments are made by the General Body of the societies concerned, the Unions sometimes appoint them by means of an executive order. This is not right. The appointment should always be made by the general body of the society. The veto or approval rests with the Bank. If a man is appointed without specifying the period for which he is to be in charge he cannot be removed except by the general body which has to be convened by him. We have had difficulties in removing managers.

4. Any amendments to bylaws which have been suggested by the Department or by the Bank should be got amended. Any amendment which the supervisor thinks necessary for the better working of the society should be sent up to the Bank and the latter will send it on to the Department if it agrees with the Supervisor.

5. If the society asks for a loan or if the Supervisor thinks that a loan should be given to members, he should get an application prepared in the prescribed form and give full information in regard to the working of the society and send it to the Bank through the Union.

6. Any audit defects which remain unrectified should be attended to.

7. It appears that Unions do not have with them up-to-date copies of bylaws of societies affiliated to them. Each supervisor should get a copy of the model skeleton bylaws for each of the societies in his charge and fill the blanks with reference to the copies available with societies or in the correspondence with the societies. He should also see that an up-to-date copy is maintained by each society in his charge.

8. After doing all the above items of work and also any other items of work which in the opinion of the Supervisor, is necessary to better the condition of the society, he should write his report and this should be finished before he leaves the village. The report should be prepared in triplicate by means of carbon paper, one copy to be sent (the first copy) to the Secretary of the Bank, the second copy to the Union and the third where it is so ordered, to the Deputy Registrar or the Sub-Deputy Registrar *through the Bank*. The question of entering these notes of inspection in a note book kept for each society is engaging the attention of the Bank and till that is settled copies of these reports should be prepared in triplicate as stated above and sent to the authorities named. The copy sent to the Union will serve as the office copy for the supervisor.

9. It will be obvious that if a supervisor should do justice to his work on the lines suggested above he will have to spend at least one full day or two days (sometimes three days) in a society. All flying visits which are now made to attend to one or two particular items of work should cease. As a rule supervisors should move from society to society without returning to headquarters every day. If, for any reason, supervisors have to return to headquarters for the night they should make it a point to leave their home early in the morning (say 7 a.m.) and return late in the night after finishing all items of work. If necessary they should again go to the same society the next day. All return to headquarters should be clearly mentioned in their diaries. The most convenient and satisfactory way of doing their work will, however, be to

move from village to village for a continuous period of 8 to 10 days and then return to headquarters and stay there for two days, even though there may not be any work at the headquarters. It should be possible for a supervisor to visit 12 to 15 societies in a month or at least 10, taking into consideration casual leave and holidays. In no month should the work of a supervisor fall short of this. Supervisors should submit at least one full report on each society every two months and there should be six such reports for a year.

10. These instructions should be carried out implicity and Unions are requested to afford all facilities to supervisors to do their work satisfactorily on the above lines.

11. The first programme under these instructions will be prepared and sent up on or before the 25th of the current month. It should be for November 1937.

(By Order),
C. RAGAVACHARIAR,
Secretary.

List of Societies Registered in November 1937.

Serial No.	Names of the Societies.	District.
1	The Dhumdhum Co-operative Society ...	Ganjam.
2	The Narudrapur Co-operative Credit Society ...	„
3	The Taluru Co-operative Society ...	„
4	The Bezwada Municipal Seva Co-operative Society, Ltd. ...	Kistna.
5	The Avanigadda Co-operative Urban Bank ...	„
6	The Bisalahalli Cumbli Weavers Purchase and Sale Co-operative Society ...	Bellary.
7	The Union Company Employees' Co-operative Society, Ltd. ...	Madras.
8	The Madras Corporation Menial Employees' Co-operative Society ...	„
9	The Arangamangalam Co-op. Credit Society ...	South Arcot.
10	Orayur Sourashtra Handloom Weavers Co-operative Purchase and Sale Society ...	Trichinopoly.
11	The Vegavathi Ashramam Co-operative Live Stock Breeding Society, Ltd. ...	Madura.
12	The Mekalathur Co-operative Consolidation of Holdings Society, Ltd. ...	N. Arcot.
13	The Thondaimandalam Vellalars Co-operative Better Living Society, Ltd. ...	„
14	The Thiruvannamalai Taluk Panta Reddiars Co-operative Better Living Society ...	„
15	The Chennur Adi-dravida Co-operative Society..	„
16	The Mailampadi Co-operative Credit Society ...	Coimbatore.
17	The Komaralingam Devendra Pallar Co-operative Society ...	„
18	The Oddapalayam Co-operative Credit Society...	„
19	The Orathukuppai Chettipalayam Co-operative Credit Society ...	„
20	The Pykara Co-operative Thrift and Loan Society, Ltd. ...	„
21	The Uppathur Alampalayam Co-operative Credit Society ...	„
22	The Karavalasa Co-operative Society ...	„
23	The Muthugapatti Co-operative Society ...	Salem.
24	The Anchetti Cattle Breeding and Marketing Co-operative Society, Ltd. ...	„

Serial No.	Name of the Society.	District.
25	The Sowdapuram Nadar Co-operative Society ...	Salem.
26	The Nainamalai Minnampalli Co-operative Society ...	„
27	The Budansanthai Sellappampatti Co-operative Society ...	„
28	The Namakkal Co-operative Stores, Ltd. ...	„
29	The Veerapandi Nadar Co-operative Society ...	„
30	The Barur Co-operative Consolidation of Holdings Society ...	„
31	The Badagara Weavers' Co-operative Purchase and Sale Society, Ltd. ...	Calicut.
32	The Quilandy Co-operative Urban Bank, Ltd. ...	„

List of Societies Liquidated in October 1937.

Serial No.	Names of the Societies.	District	Date of Liquidation.
1	Revenue Settlement Party No. III Public Servants Co-operative Society ...	Cuddapah ...	1-10-1937
2	Bhartipudi Co-operative Society ...	Guntur ...	6-10-1937
3	Valavanur Union First Ward Co-operative Society ...	South Arcot.	„
4	Tirukoshtiyur Co-operative Society.	Ramnad ...	„
5	Radhapuram Co-operative Union, Ltd. ...	Tinnevelly ...	„
6	Anakkara Co-operative Society ...	Malabar ...	9-10-1937
7	Kuttipala Co-operative Society ...	„ ...	„
8	Choolai Mongalcomman Co-operative Society ...	Madras City.	„
9	Kundothi Co-operative Society ...	Malabar ...	13-10-1937
10	Attur Lazarpet Co-op. Society ...	Salem ...	„
11	Chittalancheri Co-operative Society.	Malabar ...	21-10-1937
12	Masapet Co-operative Society ...	Kurnool ...	25-10-1937
13	Manjeri Public Servants Co-operative Society ...	Malabar ...	26-10-1937
14	Vellayil Kadapuram Co-operative Society ...	Calicut ...	27-10-1937

Market News.

[The following statement was supplied to us for publication by the Madras Provincial Co-operative Marketing Society, Ltd.]

Madras Market prices as on 17-1-38.

			Rs.	A.	P.
			115	8	0
1	Chillies (Pettai) per candy of 500 lbs.		112	0	0
	„ (Punjab) „		108	8	0
	„ (Pari) „		47	0	0
2	Garlic (Tiruppur-Calcutta) „		13	8	0
3	Onions (Bellary) „		20	0	0
4	Potatoes (Ooty) Kidney Ury „		16	0	0
	„ „ Rasi „		14	0	0
	„ „ Podi „				
	„ Bangalore and Malur Kidney Ury. per candy of 500 lbs.		18	0	0
	„ „ Round rasi „ „		16	0	0
	„ „ Podi „ „		14	0	0
5	Jaggery (Ambur and Vellore) A class new per candy of 500 lbs.		28	0	0
	„ „ A old „		24	8	0
	„ „ B „	15 0 to	21	0	0
			6	9	0
6	Sathugudi oranges (Kodur) per 105 fruits Big		5	1	0
	„ „ „ Medium		2	1	0
7	Sapotas per 105 fruits Big	...	1	9	0
	„ „ Medium	...	4	0	0
	„ „ Small	...	6	0	0
8	Plaintains (Bangala) per 6 bunches Big	...	5	0	0
	„ „ Medium	...	0	15	0
	„ „ Small	5 8 to	6	8	0
	„ (Green) per 1000 fruits	...	19	9	0
9	Ghee per tin of 12 visses	...	15	8	0
10	Butter-Tenali special per tin of 12 visses	...	15	0	0
	„ -Gudivada special „	...	13	12	0
	„ Ordinary „	...	3	8	0
11	Lime fruits per 1050 Big	...	2	8	0
	„ „ Small	...	42	0	0
12	Soapnuts per candy of 500 lbs.	...	2	8	0
13	Ginger green per maund 25 lbs.	...	4	0	0
14	Pepper (office) 1 maund of 25 lbs.	...	6	8	4
	„ (Bedagi) „				

		Rs. A.	Rs. A. P.
15	Yam (1 maund of 25 lbs.) ...		0 7 0
16	Tamarind (Bangalore) per candy of 560 lb. A quality		29 12 0
	„ (Chittoor and Vellore) „ „		22 12 0
17	Brown sugar (per candy of 500 lbs.) A quality	25 to	26 0 0
18	Kamala oranges (Nagpur) per 105 fruits Big size ...		2 1 0
	„ Medium ...		1 13 0
	„ Small ...		1 5 0
19	Corainder seeds (Cuddapah) per candy of 500 lbs. ...		49 0 0
	„ (Guntur) „ ...		28 0 0
20	Green Chillies per maund of 25 lbs. ...		1 4 0
21	Brinjals per maund of 25 lbs. ...		0 14 0
22	Hill plaintains per 1000 Big size ...		10 0 0
	„ „ Medium ...		7 0
	„ „ Small ...		4 8 0
23	Handpounded raw rice (Molakulukulu) per bag of 32 Madras measures ...		8 1 0
24	Milled raw rice (Molakulukulu) per bag of 32 Madras measures ...		7 6 0
25	Hair oil produced by the Viziavada Co-operative Better living Society, Ltd. Bezwada ...		0 9 0
26	Honey from Dindigul Co-operative Society per lb. ...		0 8 0
27	Tiruppathur dholl $3\frac{1}{2}$ measures ...		1 0 0
28	Tomatoes 1 maund of 25 lbs. Big size red colour ...		1 4 0
	„ Medium „ ...		1 0 0
	„ Small white colour ...		0 12 0

458
465
53

Ym