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The Madras Provincial Co-operative Marketing Society, Limited.

582, Pycrofts Road, Triplicane, Madras.

(Registered Under Madras Act VI of 1932.)

Head Office ... 582, Pycrofts Road, Triplicane, Madras.
Fruit Branch ... 38, Bunder Street, G.T., Madras.

President: SRI T. A. RAMALINGAM CHETTIAR, B.A., B.L., M.L.C.

The following are the main objects of the society:

(a) to arrange for the sale of produce of the affiliated societies and other members to the best advantage; (b) to act as agent of members for the disposal of their produce; (c) to co-ordinate the activities of the various non-credit societies by getting them into touch with the market, places of production and the prices prevailing in the Presidency; (d) to serve as an information bureau of raw products available in the Presidency or elsewhere.

Commodities now available in the Head Office: 582, Pycrofts Road, Triplicane.

Hand-pounded raw rice, milled raw rice from Maipad, Hand-pounded raw rice, milled raw rice and the extra fine raw rice from Ramachandrapuram, Boiled rice from Chin-
gleput and Tanjore, Rasipuram ghee, Koilpatti Butter, Honey, Tooth powder, Seekai and graded eggs from Ongole eggs Marketing Society.

Commodities now available in the Fruit Depot: 38, Bunder Street, G.T., Madras.

Kodur Sathugudi Oranges and Limes.

The Madras Provincial Co-operative Marketing Society, Ltd., was started in 1936. The society tries its best to bring the producer and the consumer in close touch by supplying the quality goods of the producers at a reasonable rate. Nearly half a dozen employees' societies in Madras city and about four students' hostels are purchasing the goods stocked in the society. We appeal to other societies also to avail of this opportunity and extend the benefit to their members.

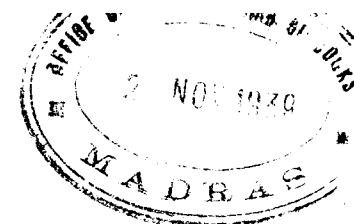
By eliminating the middlemen, the producers are benefitted considerably. Such of the loan and sale societies which have not become members are requested to admit themselves as members and derive the benefits by sending their goods for sale through the marketing society.

We also appeal to co-operative stores working in the province to purchase the articles available with the marketing society. The season for sathugudi oranges has commenced and the marketing society will be in a position to supply any quantity of fruits at reasonable rates.

Prompt attention will be paid.

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THE INDIAN CO-OPERATIVE REVIEW

(Journal of the All India Co-operative Institutes' Association)

Published Quarterly

January, April, July and October

Edited by V. RAMADAS PANTULU.

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Persons who have undergone co-operative training in any of the Co-operative Institutes of this Presidency and are unemployed at present are requested to register themselves with the Provincial Co-operative Union so that their names may be communicated to institutions which may be in need of their services. The Union proposes to maintain a register for this purpose for the benefit both of the students and of the co-operative institutions.

V. VENKATASUBBAIYA,

Hon. Joint Secretary.

THE

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OCTOBER 1939.

[No. 4

The Editorial Committee do not hold themselves responsible for views expressed by contributors. Contributors are requested to write legibly and on one side of the paper. Manuscripts will not be returned unless stamps are sent to cover postage. Matters intended for the issue of any particular month should reach the Committee before the 15th of the previous month.

Editorial Notes.

The Provincial Marketing Society.

The Madras Provincial Marketing Society made very good progress during the last co-operative year. Its membership increased from 115 to 139 and its share capital from Rs. 5,120 to Rs. 6,100. The sales effected during the last three years were as follows.

	Rs.
1936-37 (8 months)	9,064
1937-38	85,774
1938-39	1,70,452

There is very reason to hope that in the current year there will be a further increase in sales, though not in the same proportion as in the last year.

The chief commodities marketed through the Society during the last three years with their value are given below:

	1936-37	1937-38	1938-39
	Rs.	Rs.	Rs.
Fruits	2,147	42,060	91,454
Potatoes	25	12,162	28,409
Ghee	2,584	11,876	18,235
Hand-pounded rice	3,148	9,620	11,532
Milled rice	18	3,949	7,191
Eggs	...	227	1,125
Butter	...	3,571	4,752

it and was also exporting a considerable quantity, it has now to import several lakhs of tons of rice from Burma on account of the substitution of commercial crops like groundnut and cotton for food grains. The Committee is rightly of the opinion that while the province should become self-sufficient in the matter of food grains, it should not be by reduction of the area of commercial crops but by using improved seed, extending irrigational facilities and generally adopting intensive cultivation. Mr. Ramaswami Sivan quoted figures from the Journal of the International Institute of Rome to show that the average yield of paddy per acre in Valencia in Spain was 5,700 lbs., in Italy 3,300 lbs., in Egypt 3,000 to 3,300 lbs., in Japan 2,200, and in India only 1,067 lbs. But in the Central Farm at Coimbatore by intensive cultivation, he said, a yield of 2,400 to 4,000 lbs. had been attained in the course of some years. Intensive cultivation, he explained, connoted better manuring, better tillage, better weeding and better attention to all details of growth from the time the seed was put in until the crop was harvested. The Committee accepted the view that the main increase in the production of food grains was to be by means of improved seed which would give an increase of 10 per cent. and suggested arrangements for its adequate production and satisfactory distribution. In the rural development programme of the U. P. Government the greatest emphasis is placed on the distribution of improved seed through co-operative societies, and we in this province also will do well to do the same.

Marketing Societies.

The Committee has made detailed and elaborate recommendations regarding the conduct of business and the re-organisation of loan and sale societies. It desires that while these societies may continue to make loans to their members, the emphasis should be shifted from loans to sales, and therefore they should hereafter be called *marketing societies* instead of loan and sale societies. Grants and loans for the construction of small and big godowns, so as to suit the convenience of all classes of ryots, are recommended to Government and financing banks. Grading, pooling and processing as aids to marketing and the supply of improved seed and implements are to be undertaken by these societies. There are to be two kinds of them, one for the marketing of all crops and the other for that of single crops. The former kind of societies should be organised throughout the province, one for each taluk, and the latter only

in suitable centres of special commercial crops. The issue of warehouse certificates and their negotiability under guarantee of Government or Central Banks is also recommended. This shifting of emphasis from loans to marketing is very welcome. It is not done too early but only after sufficient experience has been gained by loan and sale societies and after they have taken root in the province. Even in advanced countries like Germany the linking of credit and sale of produce by co-operative societies has been found useful for the realisation of dues from members. In certain other countries the realisation of dues is not considered feasible at all without compelling members to sell their produce through the societies. In our country the only hope of realising overdues lies in extending the system of controlled credit and making compulsory the sale of produce through marketing societies.

The Provincial Marketing Officer urged for the acceptance of the Committee the formation of merchants' associations to co-operate with the proposed marketing societies, but the Committee rightly rejected it, as the elimination of profit-seeking middlemen is one of the fundamental aims of co-operation. The Committee preferred that such business experience should be obtained from competent paid servants.

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Better Living Societies.

The Committee has made a useful recommendation regarding the lines on which agricultural colonies are to be formed. It is noteworthy that it has refrained from recommending colonies for the educated unemployed, whose response to the scheme offered by the Aunamalai University was reported to be disappointing by Mr. Ramaswami Sivan. The Committee did not favour cattle or crop insurance, finding it unsuitable for our present conditions—an opinion with which, we believe, co-operators in India generally agree. The Committee thinks that there is no need for separate better living societies in our province. This may appear surprising in view of their popularity in the Punjab and United Provinces and the opinion expressed in their favour by men like Dr. C. R. Fay and Sir M. L. Darling. Moreover, in our province not long ago the Department was very enthusiastic about them, especially for the Depressed or Scheduled castes. But the Committee's opinion is based on the ground that better living societies have no statutory functions except propaganda and no funds. No doubt our people are divided into castes and communities, are ignorant and are subject to many wasteful

social customs which ought to be removed. But propaganda and effort for their removal should be done by unions and ordinary societies.

Language Federations and Provincial Union.

Regarding the relationship between Language Federations and the Provincial Co-operative Union, the Committee on Co-operation has come to the tentative conclusion that the Provincial Union should be abolished, that the functions of education and propaganda, except the conduct of the Training Institutes, now discharged by the Provincial Union, should be entrusted to four Language Federations—Telugu, Tamil, Malayalam and Kanarese—of which the first two are already in existence and the others are to be started—and that a Standing Committee of the representatives of these Federations should be formed to co-ordinate their work and also discharge such central functions as are entrusted to it. We think the result will not be different, if the Provincial Union is retained, the Language Federations are affiliated to it as the Andhra and Tamil Nad Federations are in fact affiliated at present, and they are treated for purposes of education and propaganda as its committees. We see no advantage in dissolving a body which has existed for the past twenty-five years and in creating a standing committee to take its place under a different name but which will not have the status of a registered society. Whatever adjustments are found desirable in the relationship between the Language Federations and the Provincial Union can be easily made. It is easier and more appropriate for the Government and the Registrar to consult non-official opinion through a single Provincial Union than through several Language Federations, and for the Government and the Provincial Bank to make grants for education and propaganda. These amounts have to be spent only through district organisations whether the nominally receiving body is the Provincial Union or the Language Federations. The abolition of the Provincial Union will perhaps give a greater status to the Language Federations, but we believe they can be made to play a more important role in the movement without dissolving a well established and necessary provincial organisation being dissolved. We hope that when the Committee reviews its conclusions the aspect we have pointed out here will receive due consideration.

Audit and Audit Fees.

Another important subject dealt with by the Committee during its September sittings was that relating to audit. The Committee

has recommended that the audit staff should be constituted into a separate branch from the ordinary administrative staff but under the control of the Registrar, that some classes of societies should be exempt from the levy of audit fees, that while the basis of the levy may be the time taken for audit, the rate should be only Rs. 3-8-0 in the case of central and urban banks with a working capital of more than Rs. 1 lakh, and only Rs. 3-0-0 in the case of urban banks with less than Rs. 1 lakh working capital and other societies liable to pay audit fees, and that the audit fee levied on any society should not exceed one-fourth of its net profit. This means that a society which has worked at a loss in any particular year will not be required to pay audit fees for that year, and if a society has worked at a small profit the payment of audit fees will not convert its profit into a loss. The recommendations of the Committee are in consonance with the enlightened co-operative opinion of this province, and we trust that the Government which referred this subject specially to the Committee will accept its recommendation.

Standing Committees' Resolutions.

We have published on another page the resolutions passed at the Joint Session of the Standing Committees of the Indian Provincial Co-operative Banks' Association and the All-India Co-operative Institutes' Association, held at Jubbulpore on the 8th and 9th April last. We were unable to publish them earlier as the proceedings of the meeting became available to us only very recently. One of the resolutions stated that "the position of the co-operative movement under the Income Tax Act is extremely unsatisfactory and places the co-operative banks in a worse position than the joint stock banks." We find an explanation of this statement in the speech which the Hon. Mr. Ramadas Pantulu made in commencing the meeting. He said :

"The Co-operative Societies under the Income-tax Act are not classified under any particular head of assessee. Therefore the curious result is that co-operative banks not belonging to any classification are classified as 'Associations of Individuals' for purpose of income-tax and super-tax. The Madras Provincial Bank in 2 years had to pay Rs. 60,000 more than what it would have paid had it been classed in the same group as a commercial bank and not as an 'Association of Individuals'. When I brought forward this matter before the Council of State, the Finance Member said that he did not know anything about it and nobody

drew his attention to the fact that co-operative banks are paying more income-tax and super-tax than joint stock banks. The Government of India have since promised definitely to bring forward before the legislature the question of further amending the Income-tax Act, so that co-operative banks may not have to pay more tax than they would have to if they were joint stock banks."

That such a state of affairs should exist takes one's breath away. The meeting adopted a memorial which had been prepared and authorised the President to present it to Government and to take necessary action for getting the law amended.

Another resolution requested the Provincial Governments not only to make the fullest use of the co-operative movement to promote their village development and rural reconstruction schemes but also to take all possible steps to co-ordinate the activities of the various nation building departments. On this subject a delegate from Bengal gave the surprising information that though in Bengal a scheme for rural reconstruction on co-operative basis was being worked, and 474 societies had been organised with nearly 15,000 members and they had started 1,575 night schools, and were also promoting thrift and sanitation—yet the Government had recently started a Rural Reconstruction Department without even consulting co-operators.

One's curiosity is very much roused by another resolution which says that "the time has come to organise, train and maintain a band of co-operative life-workers for the better propagation of the ideals of the movement and for its development on sound lines and calls upon its two Associations to initiate the scheme as soon as possible." Are these life-workers to be highly qualified men like university graduates or are they to be of the type of village guides? Are they to be always propagandists or are they also to work for institutions like central or urban banks and non-credit societies? What is to be the distinction between them and the ordinary employees of societies? Who is to guarantee their maintenance for life? Is the object of the resolution achieved by creating an institution in India similar to the Horace Plunkett Foundation and endowing it with funds to maintain two or three highly qualified students for studying and reporting on the different kinds of societies in different provinces and the different aspects of the movement? The All-India Institutes' Association could itself be such an organisation, provided it is placed in sufficient funds by our co-operative institutions. But as things are at present none of our provincial Institutes is on a secure financial foundation and the Institutes' Association is not able to have a staff for its excellent quarterly journal. One would very much like to see the scheme which will be produced in response to the resolution.

Audit Fees and Auditors.

BY MR. S. VISWANATHAN, B.A.,

Audit Union, Madura.

During the last few years the question of the levy of an audit fee has been much discussed. While acknowledging that I am much enlightened by the views of several of our learned co-operators, I hope that what I have said below will help the reconciliation of the official and non-official points of view to a great extent.

Under the Co-operative Societies Act, audit is a statutory function of the Registrar. The law-makers have thought it wise to place that responsible work in the hands of the head of the Department. By that it is evident the Government has taken up that responsibility in order to instil confidence in the minds of the depositing public. But for that, the movement may find it very difficult to get the necessary funds for its work. So it is rightly decided that audit or the control of audit should be in the hands of the Department.

The next question is who is to bear the cost. It has been admitted by co-operators that big urban banks, central banks and other limited liability societies should meet the cost of their audit. Therefore it is certainly necessary to levy an audit fee. What matters is that the audit should be efficient and that the scale of audit fee should be agreeable to the institutions.

Many of our co-operators have rightly pointed out that the audit fee should not be made by Government a source of profit to itself. Generally any form of taxation is disliked by people. But before opposing any item of taxation one should consider its merits and demerits. In several cases, taxation cannot be measured and benefits meted out according to the levy made. For example, we may take the Municipal lighting arrangements. There are small houses and huts paying taxes from a few annas to Rs. 2 or Rs. 3. Near those huts there may be big buildings the owners of which may be charged from Rs. 50 upwards. The rich man derives the same benefit from the Municipality as the poor hut-owner, but on that account the rich man should not grumble. The poor man may offer to clean the front of his house himself without paying anything and the rich man may be able to arrange for the cleaning of his house-front at a lower cost than the Municipality. But such arguments cannot be accepted. Similarly, there are ever so many other taxes

which cannot be levied in measured proportions applying the simple rule of three. There are differences and sometimes one may get greater advantage than another. The principle of co-operation is, the strong should help the weak. The same principle is followed in several other taxation questions also.

Turning to our point, the non-officials do not agree to any particular proposal for taxing their institutions for audit. Any scheme suggested appears advantageous to some and disadvantageous to others. A survey of the various methods till now advocated may with advantage be made here.

For levying audit fee, the following are considered as the basis.

The working capital.

The loans outstanding for the whole year or the interest realised on loans.

The gross profit.

The net profit.

Time basis.

The advantages of the various methods and also their disadvantages have been fully pointed out both in the editorial and other pages of the "Madrass Journal of Co-operation" in previous numbers.

The Government in its memorandum dated 18-9-1937 has chosen the time basis. This basis like others has also some disadvantages. In para 2 of the official memorandum it is suggested that a scale combining the basis of time taken for audit with that of working capital will be suitable, and that the societies can be classified into well defined groups. In practical experience it is found that some banks with a smaller working capital take more time than others with a greater working capital. The following will explain this point clearly. In bigger urban banks there are mortgage loans issued in hundreds and thousands of rupees, and they are repayable either in lump sum or in instalments, yearly, half yearly, quarterly or monthly, as the case may be. In smaller institutions there are loans which are repayable in a limited number of days in daily instalments. For example, Rs. 50 taken as a loan repayable in 100 days at As. 8 per day. In such cases the volume of transaction that has to be audited cannot be gauged from the working capital. Necessarily the smaller institutions have sometimes to pay a greater audit fee than the bigger institutions as the time taken will naturally be greater.

It is admitted as a general principle of taxation that the weak and the poor should not be burdened. Only those who can afford

to pay should be taxed for the benefit of their own selves and their poor brethren. It is also the fundamental principle of co-operation.

From the above it is clear that the smaller and weaker institutions should be exempted or shown a concession over the bigger ones and never a smaller one be taxed more than a bigger one, on the score that a larger number of days have been spent for audit in a smaller one than in a bigger one.

Taking the above in view, it will be seen that there are several urban banks which will take greater time for audit than that required for the audit of central banks in those areas and at the same time will be earning only a smaller net profit when compared with the central banks. Considering these facts it appeals to experience that different scales of audit fee should be fixed for the various types of institutions.

With regard to the urban and central banks it is necessary to decide upon a suitable basis which is acceptable both to the Department and the institutions.

On an examination of the Government proposal, there is some dissatisfaction among non-officials, as was expressed in the last Madras Provincial Conference. It has often been repeated by several co-operators that the best way is to levy audit fee according to work turned out. But how is it to be measured? That is the great problem. Many have written that for the levy of audit fee none of the methods already in practice is suitable, but none of their suggestions enables one to measure the quantity of work exactly.

A new method appeals to me as quite reasonable. It is a scale combining the principles of charging fees on the basis of the work turned out by the bank which has to be audited with that of charging them on the basis of their capacity to bear. Queer as it may appear, the following will make it clear. One can fairly judge the size of a bank and the volume of work it has turned out in the year, from the establishment it has to maintain. It can give an idea of the volume of the mechanical work that has to be checked, combined with the extent of responsibility attached to it.

Of course it is not claimed that it is a perfect proposal. It too has some drawbacks and is liable to criticism. One bank may be run very economically and another may be a somewhat extravagant. Naturally the economical institutions pay lower fees than the rest. One thing has to be said here. The authorities who are managing the institutions are supposed to take proper care and diligence in the

administration of the institutions. They do not grudge to meet the necessary establishment and contingent charges. So a suitable percentage, say 20 per cent. of the establishment charges, will be a proper basis for the levy of audit fee.

Some may argue that 20 per cent. is too much. The figures worked out in some urban banks show that in institutions of average size the demands under all the methods are approximately equal. Only in the bigger ones the variations are great and prominent. This will also induce the authorities to run their societies most economically.

It may be questioned if 20 per cent. is absolutely necessary. *Six years' experience shows that if the societies pay 20 per cent. of the establishment and contingent charges it will be no source of profit to the Department or the Audit Unions, but will be just sufficient to meet the establishment and contingent charges of the auditing staff.*

AUDIT STAFF.

In the discussions on the scale of audit fee much has been said of the auditing staff also. The Government auditing staff has been compared with professional auditors—R.A., G.D.A., or certified auditor. Let us take their qualifications one by one.

The general educational qualifications of an Inspector either in Department or in Audit Unions should be as follows. He should be eligible for Government service, *i.e.*, he should have passed or completed the S.S.L.C. examination. In addition he is required to pass the Government Technical examinations in four subjects, *viz.*, Co-operation, Auditing (higher), Book-keeping (lower) and Banking (lower). An Inspector is given the audit of big institutions after he has got some experience in the field.

The qualifications of a professional auditor are:—

The minimum general qualification is S.S.L.C. After that either for G.D.A., or R.A., he has to study commercial subjects for about 5 years. They are Book-keeping, Auditing, Commercial or Mercantile Law and a few other subjects. The advantage he has got is that he has been with a professional man for some 5 years as an apprentice.

The subjects studied by the Inspector—Book-keeping (lower), Banking (lower) and Auditing (higher)—cover the major portion of the syllabus for the R.A. In addition, the Inspector specialises in Co-operation (Historical and practical, Act and Rules). This cannot be expected from a professional auditor.

The subjects a professional auditor studies in addition are the higher portion in accounting, *i.e.*, Book-keeping and mercantile law including the law of contracts, Marine and Fire Insurance, Charter parties, Bill of lading etc.

The syllabus for the Government Technical examination in Audit is the same as that for the R.A. The training for Co-operative Inspectors has recently been modified so as to make them more efficient with better mental equipment and qualifications than before.

In favouring the audit by professional auditors it is said that the Departmental Inspectors are not sufficiently qualified to do the audit of big institutions. The question has to be examined fully. If the banks have got any grievance with regard to the quality of work at any time, the Department is ready to rectify the defect and see that the audit is done well. So far as the southern districts are concerned there has been no complaint regarding the quality of audit.

In this connection the following will show how the professional auditors are not the best. Many writers have compared the present scale of audit fees with that charged by the professional auditors. The R. A. and G.D.A., who undertake the work for a lower fee do not attend to the work themselves. They usually send one of their audit clerks who will be sometimes even less qualified than a Departmental Inspector. Also the auditor makes only test audits. If so, in what way is his audit better than the Inspector's audit? When it is audited by an R.A. the clerk prepares the report and the auditor signs it. If audited by the Inspector, he usually gets instructions from the head of the Department and does the work himself and sends to the Department for approval.

Three more points appear in favour of the Inspectors and Audit Union auditors.

Generally the Government prefer foreign University degrees and diplomas to our own. This is not a new weakness. It has been resented by our countrymen for a long time. Our Government examinations are the best and the toughest possible, and they should be given the first preference.

If R.A.'s are taken as Audit Inspectors in the Government service the pay now offered will be too low and none will stick to the posts.

The Department has issued circulars that while filling up vacancies in co-operative institutions preference should be given to hands that have already passed the tests and undergone training in the Co-operative Institutes. While there are trained hands available, many institutions have appointed and are appointing raw hands to the vacancies. The institutions which advocate better qualifications for the auditing staff do not see that their institutions are provided with better qualified staff.

Of course any suggestion to improve qualifications and ability to the auditing staff is welcome as it is directed only towards greater efficiency.

On a close examination of the above, it will be seen that for a sound and healthy growth of the co-operative movement audit on a contract or competitive basis may be avoided for the present. The question of de-officialising the audit staff is in the minds of several co-operators. What has been said above about the auditors may be taken by some to be against de-officialising. It is not so.

The following scheme appears to be one that will remove all differences of opinion between the officials and non-officials. For every district an Audit Union should be formed. All the limited liability societies in that area should be affiliated to it. The Union authorities should have power to arrange for the proper concurrent and final audit of the affiliated societies and should give directions to the auditing staff. They will control the staff and extract work to the best advantage of the affiliated societies. This will satisfy the non-officials regarding the question of de-officialisation.

The auditors for the Union will be on a Provincial cadre appointed by the Government. Their scale of pay, leave, T.A., Pension or S. P. F. etc., will be fixed by the Government. They may be transferred from one district to another by the Registrar. The auditors should furnish all the statements required by the Department. The Union will have to apply to the Registrar for necessary staff. The Registrar will supply the required auditors and intimate the cost of management. The Union should make arrangements for the due payment of the cost such as pay, leave salary, T. A., and other contributions. The greatest advantage here is the Registrar who is the statutory authority for audit still holds the responsibility and has a control over the auditing staff.

The affiliated societies may choose their own method of levying audit fee. The only important thing is they should see that they are able to meet the demand for maintaining the auditing staff. In that case there is no profit to the Government and there will be no complaint from the societies against the Department.

One more thing is the Department may even take in Registered Accountants for the auditor's post. There may be no objection if the Union is prepared to meet the entire cost.

Many fear that non-official auditors may not expose mistakes freely as they are under the control of non-officials. Now under the above scheme there is security of service and the auditing staff can be expected to report facts without any reserve. This removes such fears.

It is hoped that the above scheme will create greater harmony between officials and non-officials and strengthen the co-operative edifice.

The Role of Woman in Co-operation.

BY MR. V. KRISHNA MOHAN, M.A., B.L.,

Asst. Secretary, Madras Provincial Co-operative Bank, Ltd.

"Woman is the better half of man". This is a well-known adage the truth of which is nowhere better illustrated than it is in the sphere of co-operation. Everyone of us is quite familiar with woman's influence over man, but her influence over him in the field of co-operation where she has to play a vital part is really a very powerful and quite a unique one which deserves our special notice.

'Co-operation' is defined as a form of organisation wherein persons voluntarily associate together as human beings on a basis of equality for the promotion of their common economic interests. The expression 'persons' is designedly used to bring both men and women within the scope of the definition. As the editor of the "Review of International Co-operation" tersely puts it, the natural rights of every man and woman to live their own life, work out their own salvation in association with their fellows, while giving adherence to rules and laws to which they mutually assent, are the essential conditions of the attainment of the co-operative ideal. The co-operative movement is, however, an essentially moral movement, substituting for material assets the invaluable asset of honesty and a sense of moral obligation. That, in short, is what 'Co-operation' means and stands for, and it is only if we understand the true spirit and significance of the term co-operation, we would be in a position to appreciate the real place for woman and the important role she plays in the arena of co-operation.

Turning our attention for a while to the origin of the co-operative movement in India, we find that the movement was first started by Government about forty years ago in the early part of the twentieth century, with the main object of helping the masses by enlisting them as members of co-operative societies and granting them loans on low rates of interest and easy terms of repayment in small instalments. Officers of Government deputed for the organisation of co-operative society at that time confined their whole attention solely to the credit side of the co-operative movement and started as many co-operative credit societies as they could in every conceivable centre. Men alone were enrolled as members of the societies and the reason is not far to seek. Men were then the sole earning members of families who could be looked to by societies for prompt repayment of loans borrowed from them. Things have since then considerably

changed and thanks to the marked and desirable progress of female education and culture in India, our women had gradually emerged from their old state of subjection and began to assert themselves in all spheres and walks of life with the happy result that some of them like men have of late come to occupy positions of status and importance in public services. This assertion of woman is particularly to be welcomed in the highly moral movement of co-operation and especially in the limited sphere of the co-operative society which is but a concrete instance of co-operation and co-operative activity. Co-operative societies may be divided into two broad types, viz., credit and non-credit—the former dealing only with the grant of loans to members while the latter deal with production, distribution and consumption of goods among members; but in either type of society the keynote to success lies in the high moral character of its members which really forms the solid foundation of the mighty edifice of co-operation. Self-help, mutual help, mutual trust, thrift and better living are the invaluable gifts of co-operation to humanity, but all these benefits can only be reaped by persons of sterling character. Nowhere are mutual trust and mutual control so very badly needed as they are in the co-operative credit society where loans are granted to members. For it is the mutual watch and check of one member over the other that enforces the moral duty of prompt repayment of loans by members to the society. In a co-operative society where both men and women are co-members, the effect of this check is really wonderful. To illustrate this let us take the case of a husband and wife, both being members of a co-operative credit society. The husband being the sole earning member of the family borrows from the society, of course to the knowledge of his wife, a loan for a family necessity. In the midst of his multifarious activities and numerous engagements the husband is apt to forget the due date for repayment of his loan and is hence likely to become a defaulter to the society but his vigilant wife takes care to remind him of it and presses him to somehow manage to discharge the loan to the society lest a second loan which may have to be applied for later on, should be refused by the society on the ground of the earlier default. The husband naturally yields to the sweet persuasive pressure of his beloved, which any moment he prefers to the dry severe mandates of the society, and promptly repays the loan to the society. This moral pressure brought by women members to bear over their husbands is very desirable and will be highly appreciated not only by the husbands in the interests of their homes but also by the society for the society is saved a lot of unpleasant and tedious

legal process of execution against members for recovery of loans from them. Thus we see that the enrolment of women as members of societies along with men brings about very desirable results beneficial both to the household and to the society. So far we have been considering the case of both husband and wife as borrowing members of a society, the husband alone being the sole earning member of the family. But in these days of separate earnings of women and separate taxation thereof by the Income-tax authorities, we have also to consider the other case of both the husband and the wife as borrowing members of a society, each however having his or her own separate earnings and each standing surety for the other. In this case the responsibility is mutual and is much more serious than the previous one and here is to be found the really powerful and far more effective control of the wife as contrasted with the sweet persuasions of the non-earning wife referred to above. For in case of default to the society either by the husband or by the wife, the other becomes at once liable as surety for the whole amount due to the society. It is therefore to the joint interests of both the husband and wife that unpleasantness in mutual relations and discard in domestic matters are avoided by prompt repayment of the loan jointly borrowed by them from the society.

From the above illustrations, it is clear that the part played by woman in the co-operative credit society is a very important one conducing to the benefit of the home as well as of the society. So much for the credit side of co-operation. Now let us turn our attention to the non-credit side of co-operation and study the influence of woman therein. There are different types of non-credit co-operative societies dealing with different kinds of non-credit activity. The co-operative stores societies, co-operative marketing societies, co-operative milk supply societies, co-operative egg supply societies, co-operative handloom weavers' societies, co-operative spinning societies, co-operative dairy farming societies, poultry rearing, bee-keeping societies are a few of the types of non-credit societies which promote and encourage production, distribution and consumption of goods, articles, foodstuffs, etc., on a co-operative basis. The activities of these societies being household concerns are peculiarly adopted to the women and as such make a special appeal to them. Women by nature and instinct are home-loving and always like to occupy themselves during their leisure hours with some indoor work outside the kitchen, and so cottage industries like dairy farming, bee-keeping, poultry rearing are profitable pursuits for women at

home who can thereby earn decent incomes by sale of their products, thus supplementing the income of their husbands.

There are however two other types of non-credit societies which stand on a unique footing and which have assumed importance of their own in relation to the great problem of Rural Reconstruction; and they are the thrift and the better living or better home societies where woman has to put forth all her high qualities of head and heart and wherein she has to play by far her best and the most important role in co-operation. Thrift is ingrained in the genius of woman and better living in better home is her undoubted monopoly. Thrift and home-keeping are essentially genuine virtues which are in consequence of invaluable use in thrift and better home or living societies. Thrift societies are specially adapted to the genius of woman as woman by her very sex, nature and instinct is very good at laying by and carefully safeguarding moneys and generally acts as a powerful and a salutary check over the ever-erring and profligate husband who only knows how to borrow and waste. It cannot be denied that woman is the sole authority on thrift and that she alone is competent to preach thrift to others. Wise husbands, therefore as a rule, leave their domestic economy entirely to their prudent wives at home while tyrannical and extravagant husbands who deny their wives any voice whatever in the household affairs, finance and economy, do invariably come to grief sooner or later and then repent too late at leisure for their folly. Varied domestic experience has clearly proved that devoted wives always exercise a very salutary and wholesome check over their spend-thrift husbands and effect compulsory savings for the rainy day—savings that sometimes turn out to be the only rescue of many a ruined home resulting in a through reformation of the erring husband and in the re-creation of a perfect mutual understanding of a lasting and a life long bond of attachment between the headstrong husband and the docile wife, consequent on a happy turn in the tide of mutual affection.

Now we come to the better home and better living societies which are the monopoly of woman and where woman's special gifts of persuasive eloquence and appeal are called for, as there is quite a lot of constant and continuous missionary and selfless propaganda work to be done by woman therein both before and after the formation of such societies. The task of organising and developing these societies is a very arduous one involving as it does great physical strain, untiring energy, indomitable enthusiasm, persuasive eloquence and above all a spirit of better self-sacrifice—undertaken with the

sole object of the uplift and betterment of the masses. Speaking of these societies and the place of woman in the field of Rural Reconstruction, Mr. F. L. Brayne, Rural Development Commissioner, Punjab, and the accredited authority on Rural Reconstruction in India makes the following remarks of great value. "The enlistment of the housewife in the campaign of Rural Reconstruction is absolutely essential." "Thrift" is very much a woman's virtue. Until the common habit of buying on credit is replaced by a cash system the debt problem is insoluble and cash buying is unlikely to be introduced until the housewife holds the purse and keeps the accounts. Secondly the standard of living depends upon the home and therefore there is a better home movement. As the woman is responsible for the home, no progress is possible without her active and intelligent co-operation. Better living societies aim at the all round amelioration of the conditions of the poorer sections of humanity. There are several such societies started for the uplift of the Depressed Classes in this Province but one such remarkable institution in this City which deserves special mention in this connection and which is run by a band of selfless workers is the Gokulam Harijan Slum Welfare and Better Living Colony. This institution aims at the all round development and betterment of the lives of the Depressed Classes community taken as a whole and the valuable work done therein has rightly received recognition, encouragement and appreciation at the hands not only of the Madras Government but also of the enlightened and philanthropic public citizens and institutions of Madras. Here again we see the soft and appealing voice of woman and the secret of the success of the institution lies entirely in the hands of a few selfless women who have sacrificed their lives for the uplift of their fallen brothers and sisters. Such better living societies may therefore be said to be the standing monuments of woman's spirit of self-sacrifice and voluntary service in the saner cause of humanity.

From the above brief survey it will be abundantly clear that the role played by woman in the vast arena of co-operation in all its varied spheres of activity is really of inestimable value from all points of view—from the point of view of her wholesome influence over man—from the point of view of the co-operative society—and last but not the least from the broader point of view of humanity in general.

Danish Agriculture and Co-operation

By K. C. RAMAKRISHNAN,
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Denmark, the Mecca of the agricultural co-operator, is a tiny little country near the north-western edge of Europe situated between the North Sea and the Baltic Sea, now the sporting grounds of the bigger belligerent powers. The Danish Kingdom is composed of the Jutland peninsula and about 500 islands, only a hundred of which are said to be inhabited, the biggest and the most important being Zealand in which the capital, Copenhagen, is situated. The area of the whole of Denmark is 43,000 square kilo metres or 10,624,000 acres, which is about a ninth of the area of the Madras Presidency. The agricultural area comprises a little more than 8 million acres—which is a very high percentage of the total area—while forests cover another one million acres. Of the agricultural area nearly 80 per cent is tilled, while 20 per cent is grass land. Even the bogs and heaths and the sand-dunes on the coast and the inland water-areas are sought to be utilised in one way or another. Peats are obtained from bogs, heather from heaths, sand-dunes are being planted with coniferous trees and water areas teem with fishes. Reclamation of waste land is going on, giving rise to fresh farms, while the bigger estates are being broken up into peasant and smaller holdings. There were only 170,000 farms in the beginning of the present century; but at present they exceed 204,000. Efforts have been made to conserve the peasant farms and help the consolidation and enlargement of uneconomic holdings. Of big farms there are only 21,000 in the whole country, the average size of a big farm being 370 acres. Of peasant farms, the average size of which is 60 acres, there are 90,700, covering 66 per cent of the total agricultural area. The peasant farm fully engages the family and even necessitates the hiring of 2 or 3 assistants, generally farmers' sons in the neighbourhood. Of small holdings, the average area of which is a little below 20 acres, and which gives fairly full employment to the family, because of intensive cultivation, there are as many as 110,000. It is remarkable that against the 204,000 holders of farms of various sizes, there are only 20,000 agricultural labourers in the whole country, *i.e.*, 10 per cent, which is a phenomenally low proportion. Villeinage or serfdom in labour was abolished as early as 1788, and preparations were being made

when the writer of this article visited Denmark towards the close of the year 1937, for a grand agricultural exhibition at Copenhagen in 1938 to commemorate the emancipation of the labourer on land. No wonder Denmark is the land of equality, where power and prosperity are diffused among peasants; and this economic democracy has laid the foundation of her unique structure of co-operative democracy.

Denmark's utilisation of her agricultural area is also unique, at any rate for a populous country. There are at present nearly 3,750,000 people, of whom 23 per cent are found in the capital city, another 35 per cent are in other towns and the rest live in rural areas. The proportion of population engaged in agriculture has been going down, thanks to the introduction of labour-saving machinery in agriculture. It is now 25 to 30 per cent of the total, while trade and industry are absorbing more people. This does not at all mean decline in the technique or organisation of agriculture, though in the last few years it has been hit by depression and the restricted markets abroad. It was more than 75 years back that Denmark, which had a glorious past, suffered humiliation by the conquest of a part of her territory by Germany. Even worse was the economic conquest by the new countries, notably the United States, which competed in the wheat markets of Europe. But both these conquests proved a blessing in disguise. "Outward loss, inward gain" became, as an American author has put it, the working philosophy of Denmark. She has transformed the technique and organisation of her agriculture which has since been the wonder of the world, while her neighbours resorted to protective tariffs. The big drop in the price of wheat from 1870 to 1895 by 40 per cent, while butter came down by only 10 per cent and bacon by only 4 per cent., and the steadily growing demand for the latter products in the industrialised countries, particularly Great Britain, induced the farmers to turn their attention from the cultivation of cereals for human consumption to the raising of forage crops, the development of animal husbandry and the manufacture and export of animal products. Specialisation in the production and export of a limited number of commodities—particularly butter, bacon and eggs—has been carried to lengths for which there is no parallel in congested Europe or outside. The main aim of plant production, of even the growth of cereals,—not to speak of grass and root crops—is to provide feeding stuffs for animals. Fifty per cent of the fields are devoted to grains, 30 per cent to grasses, and 18 per cent to roots and the rest to kitchen and pleasure gardens.

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What would be almost incredible to our people is that in Denmark though the grains—wheat, rye, barley and oats—occupy 50 per cent of the area, the bulk of these grains is for the use of animals. It is only rye that is largely used for bread-making, while of wheat less than half is so utilised. Practically all the oats and all but a small quantity of barley (which is used in malting) are used as feeding stuffs for animals—cattle and pigs. The latter are said to relish barley and skimmed milk more than anything else, and produce bacon of a type which commands a special premium in Great Britain. Of the beet crop, which occupies 15 per cent of the agricultural area, only 20 per cent of it goes to the making of sugar, the rest is forage beet. All the turnips and most of the potatoes are for feeding animals, while a small quantity of the latter is reserved for direct consumption and for the making of flour and spirits. Grasses are grown on plough-land in a system of rotation as well as on pasture land, where the cattle are grazed in limited numbers in summer, while in winter they have all to be entirely stall-fed.

The small holdings are said to be specially suited to the intensive cultivation of most of these crops particularly the root crops, which, give a very high yield per acre. In fact, it has been estimated that in the last 60 years the yield of all crops has increased by 200 per cent. But all the crops, amounting to over 10 million tons, are not sufficient to meet the demands of the live-stock kept in the country. Therefore cheap grains, maize in particular, are imported to the tune of 1.5 million tons. Rye and wheat are also imported, but they are for human consumption. Another important item of imports is the oil-cake which is rich in proteids to supplement the root-crops which are poor in proteids. Before the Depression, nearly a million tons of oil-cakes were imported annually, but it has already steadily gone down to .7 million tons; it is likely that in the course of this war, it may go down still further to the detriment of the dairy industry. For during the last war, the oil-cake import declined, which told on milk and butter production. What privation the present war will inflict on Danish cattle it is too soon to say. While it might stimulate demand for their products, the supply of raw materials might be cut off by the perils of the sea for merchant ships.

The specialisation in animal husbandry and the high standard of animal products of Denmark are reflected in the exports of that country. 80 per cent. of her total exports is made up of agricultural

DANISH AGRICULTURE AND CO-OPERATION

products; and of these 98 to 99 per cent. is of animal origin, and only 1 to 2 per cent is plant produce! The three most important animals are the dairy cows, the pigs and poultry which account respectively for the production of high class butter, bacon and eggs, for all of which Denmark has become world famous and gets the highest prices in British and other markets. There were in 1937 in the rural areas of Denmark a little over 3 million cattle of which 1.7 millions were dairy cows; the rest were largely beef cattle, about 200,000 of which were annually exported, principally to Germany. (The draught animals were almost all horses, in the breeding and rearing of which not a little care was bestowed.) Though Denmark began the development of her dairy breeds much later than England and Switzerland, the red Danish milch cows are not inferior to any at present. The aim has all along been to obtain in the herds the highest possible average yield, which now exceeds 3,500 k.g. or 7,700 lbs. per year per cow—an increase of over 100 per cent. in 30 years. The yield of butter too has been continuously increasing; a cow now yields 480 lbs. per year while the average yield 40 years back was about 280 lbs. only. The improvement of breeds has been brought about not only by systematic breeding work done by the State Department but by the encouragement of cattle shows, bull clubs, milk recording societies and similar organisations, organized and worked by the peasants themselves all over Denmark. It is not the big farmer alone that is reputed to breed and rear good cows. In Denmark more than 90 per cent. of the herds consist of less than 15 milch cows each, and 70 per cent. of all the cows are found in such small herds. The herds are distributed all over the country, which is studded with dairies, about 1,750 in all. Such an even distribution is of prime importance in a bulky and perishable commodity like milk, which cannot bear transport over long distances. Another remarkable development is the relatively uniform production of milk, and therefore of butter, throughout the year, instead of having a season of plenty alternating with one of scarcity. This has been brought about by a scientific system of breeding and of careful feeding all through the year. This is of great commercial value, as 80 per cent. of the butter produced is for a foreign market which demands a uniform supply of uniform quality.

This tremendous development of the dairy industry in Denmark is a growth of the last 60 years and began from 1880, when the first cream separator was invented by a Dane, L. C. Nielson, which rendered possible the treatment at one place of a large quantity of milk

and the production of butter of uniformly high quality, which fetched a much higher price than the hand and home made butter of old. If small producers were to benefit by this invention, it was necessary for them to organise a co-operative dairy, since it was beyond the means of many to have a separator and other dairy machinery of their own. It was no doubt possible for large land-owners to produce butter, each in his own estate, and the 'estate butter' thus produced had at first a high reputation at home and abroad and won almost all the prizes at exhibitions.

Co-operative dairies were, however, soon organised by and for the peasant farmers, and they gained ground so rapidly that by 1900 they eclipsed the private dairies. There are now about 1,750 dairies in Denmark, of which 1,400 are co-operative and the rest private. While the co-operative dairy is the salvation of the small-holder, for without it he cannot sell his milk or convert it into butter and sell it at a good price abroad, even the bigger land-holders have found it profitable to join the co-operative dairy in the neighbourhood. Similarity of status is not so common or necessary in non-credit as in credit societies. Almost every village is said to have a co-operative dairy and 92 per cent. of the holdings are connected with co-operative dairies. Indeed in every village, the dairy is the centre of economic activities and it helps to promote other societies for joint purchase of feeding stuffs etc., and articles of domestic consumption. The dairy does not convert itself into a multi-purpose society but helps the co-ordination of other types of societies around the dominant product—butter.

It would be interesting to trace the working of a co-operative dairy, or creamery as it is more commonly called, if space permitted. The foreign visitor to Denmark is shown round a good co-operative dairy, and he can see for himself the horse vans of the dairy arriving from different directions with the milk they have collected in separate cans from different farms early in the morning. The milk of each supplier is weighed and tested at the dairy for taste and flavour and particularly for butter fat content. This is an obligation imposed by law on the dairy, which penalises the inferior supply by a reduction from the declared price. The cream is separated by centrifugal machinery and it is then pasteurised, by being raised to 80°C., which is also legally obligatory. It is then cooled and soured by the addition of pure cultures of lactic acid bacteria—which accounts for the exceptionally fine flavour of Danish butter. The churning, kneading, pressing and packing

in casks or packets with the famous 'lur-brand' are all done with scrupulous cleanliness. The product is often despatched at once in refrigerator railway vans and then transported in cooled holds of steamers, so that fresh butter often reaches the British market within 2 days after it is produced. No wonder it has a very high reputation in that market which pays the highest price for it. The section Buyer in the English Co-operative Wholesale at Manchester was all praise for Danish butter, though the Wholesale had for sale butter from other countries too.

The Dairy Manager is the soul of the society and he is given ample powers. He is exceedingly well-trained for his job, and there are ample opportunities for training on the most up-to-date lines in Denmark. A veteran manager, whom the writer saw at a dairy in Langager, which supplied milk, cream and butter to the capital city 30 miles off, had been there for 35 years, and had scored in succession for 3 years the silver cup offered for a clean and well-kept dairy. He is given a nice little house to live in, to which occasional visitors of the dairy are invited and offered fruits and drinks by himself and his wife. There is a managing committee of 9 members, all farmers, of which the Chairman is in close contact with the working of the dairy from day to day. A secondary service performed by the Langager Dairy for members was the steaming of potatoes for feeding their pigs.

The suppliers of milk are paid every second or fourth week the price of milk supplied, which is itself fixed on the basis of ruling butter prices. At the end of the year, a dividend is paid to members on the basis of supplies. Members pledge themselves to supply all the surplus milk, which they seldom violate; nor is there any temptation for it now. The initial capital and working capital are borrowed on the unlimited liability of members organising the society. Profits from working are largely utilised to pay off the borrowed capital within the course of a few years.

While the production of butter is so largely controlled by the co-operative dairies, the export of butter is by no means the monopoly of co-operatives. There are no doubt about a dozen Co-operative Butter Export Associations, to one or other of which half of the co-operative dairy societies are affiliated; but the other half sell their butter to private merchants or to the purchasing depots of the Co-operative Wholesale of Manchester or the big English multiple shops, which find it worthwhile to buy direct in Denmark.

The dairy societies have also federated themselves into a number of District Associations whose functions are mostly educational and technical—organising conferences, exhibitions, lectures, collecting statistics, advising on book-keeping. The District Associations have in their turn organised three Provincial Associations and there is at the top the National Federation of Danish Creameries, which looks after the interests of the dairy trade as a whole, both at home and abroad, and represents their case to the State whenever necessary.

The economic depression in recent times, coupled with the policy of self-sufficiency or the protection of the national or imperial dairy industry by Great Britain and other countries, has severely affected the Danish co-operative dairies and its members. But the brave and resourceful Danes have not lost all hopes of finding alternative markets or occupations. For one thing, they have begun to consume more butter themselves at home, in place of margarine. They are more keen on market gardening and other forms of intensive cultivation. They are taking more and more to industries and are naturally turning their attention to the making of several kinds of dairy machinery; and in fact an officer of the Danish Ministry for Foreign Affairs whom the writer met at the Denmark Pavilion in the International Exhibition at Paris was very anxious to get into touch with milk supply and dairy concerns in India for selling pasteurising, butter making and other machines which were exhibited.

Pigs are a complement to the heavy milk production and the modern dairy industry. Pigs consume, along with barley and other feeds, abundant quantities of skimmed milk which is thrown out by the creameries and is a by-product in butter production, which would otherwise be wasted. Before 1931, when Great Britain began to encourage her home bacon industry partly by means of the quota system which restricted the import of bacon from Denmark, as well as from other countries, there were 5.5 million pigs; but the census of 1937 revealed a stock of only 3.5 million pigs in Denmark. The Danes, however, were pleased at the higher prices their reduced export of bacon was able to command in the British market. We have heard Englishmen going into ecstasies over Danish bacon. This is not, however, a line of production which will make any appeal in India on account of the sentimental objections of Muhammadans as well as Hindus against bacon. In fact, the writer had to politely decline the invitation to visit a bacon-curing co-operative factory. But our readers should not fail to note the important economic role the pigs play in utilising the waste product of dairies.

Eggs are next to butter and bacon the largest article of export from Denmark; the number exceeded 70 million score in 1937 which was valued at 112 million Kroner (£ 5 millions). There were 32 million chickens, all of selected breeds, most of which were kept by small farmers who had also cattle and pigs. In fact, the small holders received a higher proportion of farm-income from poultry farming than the bigger holders. It is an ideal subsidiary industry for the small farmer. The hen of recognised stocks is known to lay 170 to 200 eggs per annum and there is a growing foreign demand for Danish breeding poultry. There is rigorous control by Government in the import, export and packing of eggs, in order to ensure foreign consumers that only eggs of the best quality are sent by Denmark. But the Danish Co-operative Egg Export Society with its collecting branches all through the country has contributed more to the excellent reputation of Danish eggs in foreign countries. Eggs are collected fresh, graded, weighed and packed, and every egg bears in rubber stamp the number of the branch and of the member who supplied it, so as to permit of easy detection if anything is found wrong with any egg. The fact that 70 per cent. of producers of eggs have not yet joined the co-operative fold is partly due to the fact that private trade has adopted co-operative methods and benefited by it.

The creamery or dairy, the bacon-curing factory and the egg-export society are the three dominant types and the most important contributions that Denmark has made to agricultural co-operation. But this does not by any means exhaust the list of co-operative activities of that wonderful country. They constitute only a third of the number of societies though they account for two-thirds of the volume of transactions. Rural consumers' stores are earlier in origin than even the dairies, and are better developed in Denmark than in any other country; in fact they exceed in number the dairies. The quality and quantity of articles sold in a typical rural store which the writer saw would indicate a high standard of living of the peasants. The success of the store in an essentially agricultural country is also due to the highly specialised system of farming sketched above; for the farmers need a number of necessities which they do not produce. Societies for the purchase of agricultural requirements, particularly seeds, manures and feeding stuffs, exceed the number of consumers' stores, though the transactions are much less in value. There are livestock and crop insurance societies and rural electrification societies. Raiffeisen credit societies are conspicuously absent and the

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co-operative bank, which was developed and closed but again revived in another form, was more for financing co-operative producing and trading societies and not for individual credit. On the other hand, there are about 400 savings banks in rural areas which act as thrift societies. The Danish peasants have the advantage of realising every fortnight the proceeds of a practically perpetual harvest in the milk and eggs they supply every day.

We would be less than fair if we attributed the excellence of the co-operative system in Denmark merely to the material well-being of the peasant. This has itself been brought about by a splendid system of technical instruction, and even more by the liberal education imparted in the Folk High Schools to the young men and women of the Danish farms, of which space forbids a detailed treatment here and now.

Denmark, though small in size, has excelled every other country in the net-work of agricultural co-operation she has built up. Indeed a recent writer attributes her greatness and the greatness of similar small countries,—Belgium, Holland, Switzerland—to their small size, which facilitates a closer contact and a fuller understanding among people, an easier leadership, a sounder public opinion and the State's sensitiveness to it. He wonders why we should want big States at all! The present war is a rude reminder of the perils of small States, however efficient or virtuous they may be.

The writer is indebted to Mr. Johannes Larsen of the office of the Central Co-operative Committee at Copenhagen for the arrangements made to visit a farm and different types of institutions and to Mr. H. Dhoil of the F.D.B. (wholesale) who took him to all the places.

Much of the material for this article has been drawn from the encyclopaedic work on Danish Agricultural Council of Denmark, whose office was also visited.

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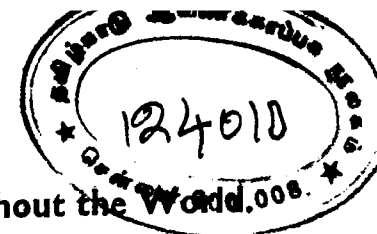
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Co-operative Societies throughout the World.

Under the above heading, the *International Labour Review* gives, in its issues for August and September last, statistics relating to the number, membership and trade of co-operative societies throughout the world, so far as they could be ascertained. The figures relate in most cases to the calendar year 1937 or to the financial year 1937-38, beginning variously in 1937 and ending correspondingly in 1938. Though every care is taken to make them as complete as possible, some omissions and some overlappings have inevitably taken place and therefore the figures are only approximately correct.

"Only primary societies, whatever their title or legal form, have been included. A co-operative society is taken to be any association of persons in an economically weak position who, joining together of their own free will on the basis of equal rights and responsibilities, manage and use for their common material and moral advantage and in mutual collaboration, an undertaking to which they have transferred one or more of their economic functions corresponding to one or more of the economic needs which they have in common." Here we have a very satisfactory definition of a co-operative society.

The societies are divided into five categories; (1) consumers' societies, that is, those whose main function is to distribute articles of domestic consumption among their members; (2) housing societies including both those actually engaged in construction and those which only make loans for building purposes; (3) occupational societies other than agricultural, including urban credit societies; (4) agricultural societies, including rural credit societies; and (5) "various" societies. In the case of (3) and (4) the societies are further classified and information is given under each sub-class.

The value of trade is given in 1,000 gold francs, which at the average exchange rate prevalent in 1937 amounted to £66.08.

Consumers' Societies.

The total number of consumers' societies in the world was 48,798 with a membership of 58.88 million in 46,108 societies. The total trade, amounted to 23.8 millions of thousand francs for 42,795 societies; that is £1,571,000,000. Of these the U. S. S. R. claimed 24,113 societies and approximately two-thirds of the total membership and trade. Europe (except U. S. S. R.) had 19,426 societies and 18.6 million members with a trade of 6.8 million thousand francs. Great Britain had only 1133 societies but over 8 million members and a trade of over 3.7 million thousand francs, that is to say, more than the trade of all the other European countries put together. In respect of membership, next to Great Britain came Germany, France and Spain; but compared to their

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U. S. S. R., with Belgium and Germany leading with 1,464 and 1,200 societies respectively. India does not figure under this class but the better living, anti-malaria, consolidation of holdings and several other kinds of societies ought to have come, we think, under this head.

The total number of societies and members for the different continents is given in the table below. The figures for membership are not for all societies but for the number given in brackets.

Continent.	Societies.	Members.
Africa ...	3,598	334,911 (3,483)
America ...	51,251	14,673,426 (45,724)
Asia (except U. S. S. R.) ...	167,554	14,860,476 (156,670)
Europe (except U. S. S. R.)...	300,323	52,470,580 (247,981)
U. S. S. R. ...	286,595	60,389,271
Oceania ...	1,191	534,280 (1,190)
Grand Total ...	810,312	143,260,963 (741,543)

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Provincial Banks' and Institutes' Associations.

The following resolutions were adopted at the joint session of the Standing Committees of the Indian Provincial Co-operative Banks' Association and the All-India Co-operative Institutes' Association, at Jubbulpore, on the 8th and 9th April, 1939.

Resolution No. 1 (a):—This Committee has read with interest the announcement made by the Bengal Minister for Co-operation on the 15th March, 1939, in the Bengal Legislative Assembly and particularly welcomes the assurance and commends it to other Governments that "the Government fully intended to support the co-operative movement in this province and will not allow it to fall into any serious danger."

(b) This meeting of the Standing Committee after acquainting itself fully with the proposals now pending before the Provincial Governments of Bihar and Bengal for rehabilitating the co-operative movement in those provinces and the announcement made on behalf of the Governments of their intention to stand by the movement and give it the necessary financial and other help, desires to express its sense of satisfaction at the action so far taken and requests the Governments of Bihar and Bengal to give effect to the rehabilitation scheme without any further delay.

(c) This meeting requests the Governments of other Provinces and States also to take necessary steps without delay to rehabilitate the movement.

Resolution No. 2:—This meeting after studying the ways in which rural development schemes are being worked in several provinces and Indian States finds that instead of using the co-operative department largely in the pursuit of the schemes, even co-operative organisations are being handed over to other departments and that there is not the necessary co-ordination between the various rural development departments.

This meeting therefore requests the Provincial Governments not only to make the fullest use of the co-operative movement to promote their village development and rural reconstruction schemes but also to take all possible steps to co-ordinate the activities of the various nation-building departments.

The Provincial Institutes are requested to place before their respective Provincial Governments schemes for such co-ordination.

Resolution No. 3:—This meeting considers that the position of the co-operative movement under the Income-tax Act is extremely unsatisfactory and places the co-operative banks in a worse position than the joint-stock banks.

This meeting adopts the draft memorial prepared for submission to the Finance Department of the Government of India and authorises the President to present the same and take necessary action to get the law amended.

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This meeting also urges the Provincial Governments to support the memorial and to press the Central Government to revise the Act in the manner therein suggested. A copy of the memorial shall be sent by the President to each Provincial Government in the country.

Resolution No. 4:—This meeting reiterates the opinion expressed by it on other occasions that the co-operative movement, being essentially a people's movement, the attempt to increasingly officialise it is inconsistent with the declared intensions of the Government and is not in the best interest of the movement. It therefore requests the Governments of Provinces and Indian States in which revision of the Co-operative Societies Act is under contemplation to preserve the autonomous and popular character of the movement unaffected by new legislation.

Resolution No. 5:—This meeting is of opinion that while legislation for the relief of indebtedness and for conciliation of debts has been beneficial to a certain degree, it has also resulted in drastically curtailing credit to the agriculturists and therefore urges upon the Provincial Governments the necessity to follow up such legislation by a rapid expansion of the co-operative movement and take other suitable measures for the creation of agencies to provide necessary rural credit.

Resolution No. 6:—This meeting is of opinion that future credit for the occupational needs of agriculturists should not be cut off by reason only of the general accumulation of overdues in societies and that suitable schemes should be adopted by Provincial Governments and Indian States to disentangle past debts from future finance by providing necessary machinery for the discharge of prior debts after being scaled down and for credit being provided for seasonal requirements in future.

Resolution No. 7:—This meeting is of the opinion that steps should be taken to organise societies in convenient groups of villages within a radius of 2 to 3 miles according to local conditions so as to cover the entire province or State with societies and to bring every village in a province or State within the ambit of operation of co-operative societies.

Resolution No. 8:—This meeting is of opinion that in addition to dispensing credit other useful functions like the supply of improved implements, seeds, purchase of necessities on indent system, and organisation of irrigational facilities for the members, supply of cheap electric power and the like should be undertaken by village societies for the economic benefit of the members. The society should also act as an agent for the members for the sale of their produce.

Resolution No. 9:—This meeting considers that the time has come to organise, train and maintain a band of co-operative life workers for the better propagation of the ideals of the movement and for its development on sound lines, and calls upon its two Associations to initiate the scheme as soon as possible.

Review.

Gopal Krishna Devadhar.—Published by the Servants of India Society, Poona, pp. 168. Price Rs. 2. Paper bound.

I

The Servants of India Society, Poona, deserves to be congratulated on their fine publication of a symposium of studies about the late Mr. Gopala Krishna Devadhar. The book is not a biography; it is a series of appreciations of the great servant of India by a number of his colleagues and friends. The present President of the Society, the Hon. Dr. H. N. Kunzru, appropriately enough contributes a general introduction which serves to sum up the various characteristics of the late Mr. Devadhar, separately dealt with in the following sections:—

The first section deals with the early life of Mr. Devadhar and it is written by Mr. N. V. Phadke. Mr. Devadhar, like Gokhale and Tilak and others, was a Chitpavan Brahmin and in his younger days had good grounding in the Sanskrit classics and in the *Gita*. "Slow raise worth by poverty depressed" said the great Dr. Johnson, an illustrious example of his own wise saying. Devadhar also rose slowly, considerably depressed by the poor circumstances of his family; he had to earn while learning and was saddled with responsibility of a family man when very young. He went to distant Gwalior with a view to prosecute his studies. Unfortunately he was not destined to achieve his ambition there, because soon after his arrival there he fell ill and had to return to Poona. He accepted the post of a Marathi Pundit to a Christian Missionary and his acquaintance with the Missionaries and their method of work produced a deep impression upon his young mind.

Undaunted by all difficulties he completed his degree course and started life as a teacher on a pittance of Rs. 22 a month in the school run by the Aryan Education Society of Bombay. He had plenty of opportunities for exhibiting his organising capacity during his early days of school mastership.

II

He joined the Servants of India Society as one of its three foundation members in the year 1905. Mr. N.A. Dravid, who along with Mr. Devadhar joined the Servants of India Society at its very inception, contributes an appreciation of Mr. Devadhar as a member of this great organisation. Mr. Devadhar became almost a prince amongst beggars—begging not for his private benefaction but for some great cause which he supported whole-heartedly. Mr. Dravid tells us how this successful venture of Devadhar's work was begun even in very early days when Mr. Gokhale asked him to get subscribers for the Congress organ 'India' conducted in England, and the personal episode mentioned in page 20

well illustrates the undaunted of perseverance of Mr. Devadhar. Mr. Devadhar richly deserved the title "Undaunted" given to him by Mr. Gokhale.

As a member of the Servants of India Society, it is well-known that Mr. Devadhar turned his attention more to social service and general uplift of the people than to politics. Mr. Dravid concludes with almost a confession regarding the wrong estimate which some members of the Society had about the value of Mr. Devadhar's work in villages and amongst poor people, and the realisation of the usefulness of such work which dawned upon them later on.

III

Mr. V. L. Mehta, Managing Director of the Bombay Provincial Co-operative Bank, contributes a section on Mr. Devadhar's work as a co-operator. The present writer knew him mostly as a co-operator. We see how the shrewd practical man that he was he realised the value not merely of running successfully a few typical co-operative institutions but the need to prepare people by education and propaganda to run them efficiently themselves. He was a member of the Mysore Co-operative Enquiry Committee (1929) and was the President of the Travancore Co-operative Enquiry Committee (1933-34). He presided over ever so many Provincial Conferences, including the Madras Provincial Co-operative Conference in 1923. As Mr. Mehta points out, Mr. Devadhar combined in himself the idealism of a visionary with the practical nature of a successful business man. He had great faith in co-operative propaganda and education. He was one of the founders of the Bombay Provincial Co-operative Institute and succeeded Mr. Gokhale as a Director of the Bombay Provincial Co-operative Bank, which capacity he retained till the end.

His faith in co-operation as an effective instrument of national uplift was considerably increased by his visit to Western countries, and he came to look upon it as a great constructive brotherhood, and was anxious that Indian co-operators should keep themselves in touch with co-operators in other countries. He worked for the uplift of the poor and the down-trodden, be he a villager exploited by the sowcar or a scavenger in the crowded cities. He had great faith in the women of the land playing their own part to strengthen the movement. The faith was considerably increased when he had opportunities of studying the working of the co-operative movement in the States of Travancore and Cochin.

IV

It is said of Sir Christopher Wren the famous architect of St. Paul's Cathedral, London, who lies buried in that church, that his memorial tablet contains the significant expression, if you want to see Wren's

monument look round'. We may say, similarly, about Devadhar that if you want to have a look at the real monument of Mr. Devadhar, "Go to Poona and see the famous Seva Sadan there". The chapter dealing with the rise and progress of the Seva Sadan which remains one of the major achievements of the late Mr. Devadhar affords very inspiring reading. We see how he very well deserved the title the 'Undaunted' and earned it by sheer work. The institution has grown from very humble beginning and is now a big one with many departments of useful activities and has got branches in various places in the province. The present writer spent two very useful and happy hours in going round from section to section of that honey-comb of activities. When he visited Poona in last December he realised what a permanent monument that ever growing and useful institution was to late Mr. Devadhar.

V

The next section deals with the allied subject of Mr. Devadhar's activity in the field of social service and social reform. He was always the friend of the under-dog. His life was one of continuous social service. He was a bold social reformer, who by his preachings and practices tried to lessen the hardship caused to poor people by peculiar social handicaps and disabilities they are subjected to. The work for the amelioration of the depressed classes, the starting of the Social Service League in Bombay, taking active part in the organization of the National Health and Baby weeks, organising social conferences, these were some of the channels through which his reforming zeal found expression. His substantial work in the field was appreciated and he had the honour of presiding over the Indian National Social Conference held in Madras in the year 1927. Mr. Joshi who writes this particular section rightly lays emphasis on the peculiar features of Mr. Devadhar's social uplift work. First, he worked *with* the people he wanted to help instead of *for* them and thus he avoided the appearance of patronage. Secondly, he tried to secure maximum co-operation from Government agencies. Thirdly, he was not bound down to one place or institution; but was ready to serve the cause of the suffering humanity, from whatever part of the country the call came.

Mr. Joshi who writes VI the next section also, gives special prominence to the relief work done by Mr. Devadhar. It may be taken as a part and parcel of his social service activities, but so enthusiastically did Mr. Devadhar throw himself into these relief works, and so thoroughly successful were his methods of operation that it is quite in the fitness of things that a separate section is devoted for this purpose. His relief work is described under the following heads:—(1) Plague relief work at Poona. (2) Famine relief work in U. P. and later on in Gujarat and Kathiawar and (3) Flood Relief work in South Kanara, South India and

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in Gujarat, and (4) Cyclone relief work in the Nellore District of our province. He always started with a preliminary enquiry and collected accurate statistical data and kept his donors informed from time to time about the steps taken by him in the matter of affording relief to the afflicted. It was because of the thoroughly business-like way in which he carried on his work that the Government always co-operated with him and found him to be a useful ally.

VI

The next chapter of Mr. Devadhar's work in connection with the Rural Development is contributed by Mr. Venkatasubbaiya of the Madras Branch, himself an enthusiastic worker in that particular field though it might be taken as a branch of his co-operative activity. Mr. Venkatasubbaiya who knew him intimately thus characterises his work in this field. "To bring together the lowly and the lofty, the official and the non-official, and the representatives of the various organisations, and to evoke zeal in all of them, was characteristic of Mr. Devadhar."

VII

The last but not the least important section is Mr. Devadhar's work in Malabar at the time of the Moplah Rebellion. Mr. R. Suryanarayana Rao, also of the Madras Branch of the Servants of India Society, who was put in charge of the Devadhar Malabar Reconstruction Trust and who therefore had first hand information on the reconstruction work in Malabar, contributes this chapter. The havoc committed on the poor helpless people by the fanatic Moplahs, and the prompt succour that Mr. Devadhar brought to them by appealing for help from all over India and the encouragement he received because of his past service and experience in the field, all these are vividly described and the Malabar Reconstruction work might be taken as the crowning glory of a life devoted to social service.

VIII

The present writer came into contact with the late Mr. Devadhar in his capacity as a prominent co-operator. He had opportunities of observing Mr. Devadhar's working as the President of the Travancore Committee and while he was gathering material for co-operative enquiry in the neighbouring State of Cochin. The present writer had the honour of presiding over the All-Cochin Co-operative Conference in 1934 which was declared open by Mr. Devadhar, and during those three days of the conference they were thrown together. It is a great pleasure and privilege to the present writer to be able to record his admiration for Devadhar's thoroughness, his grasp of details and above all his utter indifference to personal circumstances when there was a call of duty. On the day previous to the conference which Mr. Devadhar was to open he was in bed with high fever. The State Physician examined him and advised

REVIEW

him complete rest. On the next day at the appointed time, in spite of medical advice, Mr. Devadhar was at the conference Pandal, and what was more, delivered a long speech lasting for nearly 45 minutes in declaring the conference open. That was an example of high sense of duty and indifference to personal convenience which produced a deep impression upon the present writer. In every sense of the term the late Mr. Devadhar was a true servant of India.

It is, however, a pity that a fuller biography of this good and great man has not been published. The book under review deals only with certain aspects of his character. In order to complete the picture one would like to know what Mr. Devadhar was like in his private life. There is plenty of lime light flashed upon every nook and corner of his public life in this book, but precious little is said except in the opening chapter about Mr. Devadhar the man. We hope this omission would be rectified by a small supplemental volume dealing with those aspects of his life which are not touched upon in this book.

Every friend of the late Mr. Devadhar—and there must be thousands of them—would be delighted to have this volume giving an account of the various aspects of his full and highly useful life.

S. K. Y.

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Committee on Co-operation.

Conclusions arrived at by the Committee on Co operation during its sittings from the 2nd to 11th of September 1939.

Provincial self-sufficiency in Food Grains.

So far as Madras was concerned, the Committee were agreed that Madras should try to become self-sufficient in the matter of food grains supply without giving up money crops.

Measures for the increase in the supply of Food Crops.

In view of the fact that the Presidency does not grow as much of food produce—namely, rice and dry crop cereals—as is required for the consumption of the province, and that from Burma alone it is importing six lakhs of tons, the Committee recommends that in order to obviate this import and make the province self-sufficient, the supply of food crops must be increased, first by a wider distribution of proper seed by which it is hoped that the productivity will be increased by 10 per cent. and next by a liberal and prompt extension of ayacut in deltaic and other areas wherever possible, as well as by undertaking new irrigation projects at an early date.

The Committee recommended the following scheme of seed distribution for the consideration of Government.

(a) The responsibility of producing the seed should rest on the Agricultural Department.

(b) The responsibility of distribution should rest ordinarily on a non-official agency—whether it be through co-operative organisations or rural reconstruction centres; and

(c) Where no such agencies are available, Government should make the necessary arrangements in this behalf.

Note:—The technical supervision necessary is to be supplied by Government free.

Encouragement of small Loans and Crops and Produce.

Crop and produce loans should be given to small ryots and for small sums. Not only should this be encouraged but Government should help the construction of 'gades' or 'kudurus' in villages on a large scale for preserving such produce. It was agreed that the multi-purpose societies should be encouraged to give small loans.

Loan and sale societies to be called Marketing societies.

(a) The existing loan and sale societies should be renamed 'Marketing Societies' and should give more attention to sale and grant advances on produce brought to them for sale.

COMMITTEE ON CO-OPERATION

Formation of societies at Taluk Headquarters.

(b) Societies can be formed at the headquarters of each taluk with branches in Firkas.

Functions of Taluk Societies.

(c) Headquarter societies and branches should arrange for sale of growers' produce, grading and supply of improved seed, implements etc. to members, and shall deal directly with consuming markets and wholesale merchants.

Extension of Controlled Credit system.

(d) The controlled credit system shall be extended on a larger scale, and loans given for supply of improved seed, implements, manure and work cattle by village societies on condition that the produce should be taken to the marketing societies.

Construction of Godowns and issue of Warehouse Receipts.

(e) The societies shall be encouraged and helped to build godowns and empowered to issue warehouse receipts to growers on produce pledged in their godowns, and these certificates be made negotiable under guarantee of Government or central banks.

Financing of Marketing Societies by Central Banks.

(f) The financing of these societies should be done by district banks.

Special Crop Marketing Societies.

Formation of single crop marketing societies. Suitable marketing centres.

(a) Special crop marketing societies of single crops may be started, comprising all convenient areas of production at suitable marketing centres for the important crops in order to provide facilities for the grower to market his crop.

(b) These societies can be started in the first instance for groundnut, cotton, tobacco, paddy, fruits, potatoes, ghee, eggs, etc.

Functions of the special crop marketing societies.

(c) These societies shall perform all the functions of marketing the produce such as storage, grading, packing, processing and sale.

Bonus to Members.

(d) The societies may make a provision for giving a bonus out of profits.

Financing by Central Banks.

(e) Central Banks shall finance these societies.

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Arrangements to be made by societies for storage and preparation of the produce for the market.

(f) The societies shall be empowered to arrange for erection of godowns, processing plants, grading establishment etc., for the better storage and preparation of the produce for the market.

Issue of Warehouse Certificates.

(g) These societies can be empowered to issue negotiable warehouse certificates for produce pledged with them and central banks can issue loan on the strength of these certificates, subject to a fixed limit on the value of produce.

Encouragement of Grading and Pooling of Produce.

(h) Members shall be encouraged to grade and to pool their produce, and in such cases the quantity of the produce delivered by each member shall be entered according to each specified grade. Payments shall be made to members according to the quantity and value of produce for each grade from time to time, as sales proceed.

Employment of qualified technical staff.

(i) The societies shall employ qualified technical staff to help in the processing and marketing of the produce, and

Need for a plan for formation.

(j) Such crop marketing societies should be started first in the major producing areas and a planned scheme should be drawn up in consultation with the Co-operative and Agricultural departments to cover all important commodities and areas of the Province in a specified time.

Loan and Sale Societies.

Area.

Ordinarily the area of a loan and sale society should be a revenue taluk.

Rate of Interest.

Loan and sale societies might charge one and a half per cent more than the rate at which the Provincial Bank or the central banks lend them.

Maximum Individual Loans.

There should be no limit for loans for paddy and for all other crops, five thousand rupees ordinarily might be fixed as the maximum, subject, however, to the sanction of the Registrar for any higher sums.

Loans on the Produce raised by Members or on their Lands.

Members of sale societies should be eligible for a loan only upon the produce produced by them or on their lands.

COMMITTEE ON CO-OPERATION

Grant of Subsidy for Sale Societies.

In the initial stages a society might be given a subsidy.

Grant of Subsidy for the construction of Godowns.

The Provincial Government should continue to give the subsidy of twenty-five per cent even if the subsidy of the Government of India be stopped.

Grant of long-term loans to Central Banks for construction of Godowns.

To the central banks long-term loans might be advanced for the construction of godowns, and to the primary societies, in addition to such loans, the usual grant might be given.

Women's Societies.

There should be paid women organisers and not only should there be separate societies for women but they ought to be specially useful in the production of common home industries.

Co-operative Insurance of cattle and crop.

The Committee did not favour the starting of cattle insurance societies. Regarding Crop Insurance Societies, the Committee thought that here also it was only a question of money and could not support the proposal.

Better Living Societies.

There was no need for separate better living societies.

Constitution of a Provincial Standing Committee for co-ordination of development work.

The Heads of the Development Departments of the Province and a certain number of non-officials should be joined together to form a standing committee; the standing committee should have as its secretary an under-secretary to Government in one of the Departments, the Minister being the chairman of the committee.

District Committee.

There should be district committee. There were such committees now, but instead of periodical conferences they should have a standing committee for each district and the District Collector should be the chairman of the Committee.

Agricultural Colonies.

1. Detailed investigations should be made of localities in each district, where large extents of lands are available for assignment for purposes of agricultural colonisation :

2. Such schemes should be undertaken by Government more as reclamation schemes, because they are likely to create new agricultural wealth for the country.

3. Before the land is handed over to the colonists, Government should undertake at its own expense all the preliminary measures necessary to make the land fit for cultivation and the locality fit for habitation, measures such as clearing the land of shrubs and jungle growth, sinking of wells for irrigation, provision of roads, dispensaries in malarial tracts etc., and that Government should provide free technical advice such as that of an Agricultural Demonstrator, etc.

4. That Government should exempt the lands from assessment for the first five years.

5. That assignments should be made only to co-operative societies as corporate bodies, that is to say, the ownership of the land should vest in the society.

6. That the co-operative societies should in the first instance give the lands to the landless people on temporary leases and if they find after a period of probation that they (colonists) are good cultivators, they should be given permanent leases.

7. That the co-operative societies in question should make adequate provision for giving credit facilities to the people for the purpose for cultivation; if finance is not provided by the district banks, then the credit should be made by Government.

8. That the areas leased out should be "economic holdings" (to be determined with reference to local conditions, the nature of the crop, etc.) While the lessee should enjoy a right of permanent occupancy he should not be entitled to alienate his right to anybody who is not a member of the co-operative society. The economic holding should be impartible so that it can never be reduced below its proper size.

Marketing (loan and sale) societies-safeguards.

(a) Loans should be issued not exceeding 70 per cent of the market value in the case of food crops and 60 per cent in the case of commercial produce placed in the custody of the societies;

(b) loans have to be repaid after the produce is sold, or in any case, not later than six to nine months from the date of the loan; release of the produce should be made on payment of the loans advanced;

(c) members have to furnish additional security if the produce pledged is found insufficient due to fluctuation of market rates;

(d) societies act only as agents when the produce is disposed of, and they effect only cash sales. (Sales effected on short credit may be

COMMITTEE ON CO-OPERATION

considered cash sales for this purpose provided that credit is given only to approved customers not exceeding a fortnight);

(e) godown keepers should be appointed by central banks to check the stock periodically, and to furnish a certificate to the bank. Departmental Inspectors also may be asked to verify the stock whenever possible;

(f) godowns should be locked and sealed, and the key should be kept with the godown keeper and weekly statements of stock verified should be sent to the bank;

(g) so far as the produce stored in pits, straw granaries, etc., is concerned, additional sureties are insisted upon. Sometimes collateral security of unencumbered immovable properties in the form of continuing mortgage bonds to the value of double the amount of the maximum loan sanctioned to the borrower, is taken from the borrower and the bonds are transferred to the financing bank. This practice may continue;

(h) the produce should be stocked in godowns in the joint custody of sale societies and the financing banks;

(i) where loans are advanced on stock kept in the owners' godowns, it should be verified by the supervisor (and one or two of the directors of the sale societies, if possible) before loans are sanctioned; the room or godown should be locked and sealed and the key should be kept by the sale societies, the control of the godown being completely with the sale society;

(j) the cash credit drawn from the central banks by sale societies at any time should not exceed the loans outstanding against their members;

(k) the produce whether hazardous or not should be fully insured to the extent of advances except in cases where the individual loans are less than Rs. 250. It was also decided that if any single borrower exceeded the Rs. 250 limit, he was not to be exempted from the insurance; he should insure the produce.

Exclusion of loans to sale societies from maximum borrowing power of central banks.

Insurance policies should be taken in the joint names of the bank and the sale society.

Whenever money is advanced to the loan and sale societies by the central banks, that amount should not be taken into account in arriving at the maximum borrowing power of central banks fixed at 10 times its owned capital (sh. capital & res. fund).

Abolition of the Provincial Union.

1. The present Provincial Co-operative Union be abolished;

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Formation of Language Federations.

2. Four language federations be formed, one for the Andhra Desa, another for Tamil Nad, a third for Malabar and a fourth for South Kanara.

Functions of Federations.

3. These be given the functions of propaganda, education, (except the Institutes) and such other functions as are now being attended to by the Provincial Union ;

Formation of a Central Co-ordinating Committee.

4. A standing committee be formed with representatives from each of these Language Federations which will have the function of co-ordinating the work of the Federations and also of discharging such central functions as are entrusted to it.

Exemption for Loan and Sale Societies from Audit Fee.

Loan and sale societies might be exempted from the payment of the audit fee for a period of three years, but that in special cases the period might be extended by the Registrar up to a maximum of six years.

Liquidation and Arbitration Fees.

With regard to the fees charged for arbitration, the Committee was of the opinion that the present provisions need not be changed.

Audit.

It was decided that in clause 3, the words 'registered accountant' should be omitted, as the present officers of the department were fully qualified in all the subjects regarding audit. They were not in favour of making the minimum qualification as 'registered accountant.'

The Committee also decided that the Registrar should appoint the auditors for auditing Provincial Societies.

The Scheme of Re-organisation of the Arrangements for the Audit of the Accounts of Co-operative Societies in the Province.

Statutory Responsibility of Registrar for Audit.

1. The statutory responsibility of the Registrar for audit as laid down in section 37 of the Madras Co-operative Societies Act (VI of 1932) shall be maintained.

Constitution of separate administrative and audit branches.

2. The audit staff of the Registrar should be constituted into a distinct branch ; in other words, there should be differentiation right through between the administrative branch and the audit branch, except in regard to the Registrar, who will be the head of both the branches.

COMMITTEE ON CO-OPERATION

Audit.

Appointment of a Chief Auditor.

3. A chief audit officer who shall be a qualified auditor shall be attached to the Registrar.

Appointment of District Audit Officers.

4. The Sub-Deputy Registrars shall be divested of their administrative functions and employed purely on audit work and shall thereafter be called District Audit Officers.

Continuance of free Audit of certain classes of Societies.

5. All agricultural credit societies of unlimited liability, supervising unions, limited liability credit societies and building societies with a working capital of under Rs. 20,000, purchase, sale and production societies the value of whose purchases and sale of articles or goods produced does not exceed Rs. 10,000, and other classes of societies whose gross income in a co-operative year does not exceed Rs. 5,000 and such other societies as the Local Government may think fit to exempt from the levy of audit fees, should be audited *free of charge*.

This audit shall be done by a staff of Inspectors who are adequately trained for audit. A high quality of audit should be secured.

Appointment of Technically qualified Auditors for the Audit of Central Banks, Urban Banks and other Societies, liable to pay fees.

6. For the audit of central banks and urban banks with a working capital of Rs. 20,000 and above, and non-credit and other special types of societies liable to pay audit fees, the Registrar should employ technically qualified auditors to work in the audit branch of the co-operative department.

Audit of Provincial Co-operative Institutions by registered or incorporated Accountants and Auditors appointed by the Registrar.

7. Provincial societies like the Madras Provincial Co-operative Bank, Madras Co-operative Central Land Mortgage Bank, Triplicane Urban Co-operative Society, South India Co-operative Insurance Society, the Post and Telegraphs Co-operative Society, etc., should be audited by registered or incorporated accountants and auditors appointed by the Registrar. The present practice of the Registrar issuing the audit order and prescribing the returns that will have to be submitted by the auditors should apply to them also.

Levy of Audit Fees.

Need for reduction in the rate of audit fees.

8. After prolonged investigation and ascertainment of co-operative opinion in this province, a new scheme has been introduced recently, the

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main feature of which is the levy of audit fees not solely on the working capital or other financial standards but on the time taken for the audit. Under this scheme central banks and urban banks with a working capital of over Rs. 1 lakh are charged Rs. 5-8-0 for each day's work by the auditor (a day of six hours) and urban banks with less than Rs. 1 lakh of working capital and other societies liable to pay audit fees are charged Rs. 3-12-0 per day. The rate of Rs. 5-8-0 per day is too heavy and should be reduced to Rs. 3-8-0 in the case of the former class of societies and the rate of Rs. 3-8-0 to Rs. 3 in the case of the latter class of societies.

Exemption of certain classes of societies from payment of audit fees.

9. In regard to loan and sale societies and handloom weavers' societies they should be totally exempted for the first three years of their working from payment of audit fees, and the period may be extended by a further term of three years in the case of any society, if the Registrar considers that its transactions have not developed to an extent to justify the levy of the fees.

Restriction of maximum Audit Fee levied to one fourth of net profits.

The next question is whether societies which are working at a loss should be exempted from audit fees. Co-operative opinion is in favour of such exemption. In any case, it seems to be desirable to lay down that the maximum audit fee levied should not exceed one-fourth the net profits as declared by the Registrar.

Registrar to be empowered to grant rebate up to a prescribed limit in hard cases.

There must be a general power vested in the Registrar to give rebate to any society up to a prescribed limit, if it is found that it is unable to bear the burden of audit fee prescribed by the rules.

News and Notes.

Mr. Dasu Vishnu Rao, a prominent vakil of Bezwada, who passed away on the 26th of September last, was closely connected with the co-operative movement between 1924 and 1929. He became secretary of Viziawada Co-operative Bank in 1925 and that of the Krishna District Co-operative Federation in 1928. Deposits in the Viziawada Bank increased considerably when he was its secretary.

A rural development week was observed by the Mulki Panchayat Board in South Kanara district. It was opened by Mr. P. Rajagopalachariar, District Judge. An exhibition of livestock and nursery plants was held on the occasion.

Mr. S. A. Venkataraman, I.C.S., Registrar of Co-operative Societies, in declaring open the industrial and commercial museum of Salem, in the unavoidable absence of the Hon'ble Mr. V.V. Giri, said that it was high time that India became independent of foreign supplies for such articles as pins, cycles, pens, etc. He appealed to the public to cultivate the "Buy Indian" mentality and encourage both cottage and large scale Indian industries.

The Bombay Government have instructed all Collectors and other officers concerned to give all possible help to officers of the Co-operative and Rural Development department to start grain banks in areas inhabited by backward classes. These banks give loans in kind and charge an interest of 25 per cent. whereas sowcars charge 50 to 100 per cent. interest for similar loans.

The Co-operative Department of the Punjab, which has an Industrial Assistant Registrar, has organised show rooms at Lahore, Simla and Murree for the sale of goods made by members of industrial co-operative societies. The business done by them is reported to be encouraging.

The Gudimallure Co-operative Society in Walajah Taluk, North Arcot District, celebrated its Silver Jubilee on the 9th September last. Mr. C. Balagurunatham Pillai, Revenue Divisional Officer, Ranipet, presided over the function, which was inaugurated by Rao Saheb J.C. Ryan, Deputy Registrar of Co-operative Societies. After congratulating the society on possessing a reserve fund of Rs. 8,000 Mr. Ryan exhorted the members to practise thrift by means of the *hundi box*, to lay by small amounts for the education or marriage of their children and to avoid borrowing for such purposes. He held up the example of Salem in this respect and also spoke about the advantages of consolidating scattered holdings.

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In the training classes conducted by the Mysore Co-operative Institute during the last co-operative year at Bangalore and Mysore, 51 students underwent training and of them 17 passed in the written examinations. These have been recommended by the Registrar to societies for appointment. It is, however, stated that while a good many trained men are unemployed the societies are entertaining untrained men—a practice which unfortunately prevails outside Mysore also. It is sheer waste of co-operative and public money if trained men are not employed by societies. Managing committees which do not prefer trained men prove themselves unfit to be in charge of societies.

We are informed that at a meeting of the General Body of the Bhimavaram and Undi Co-operative Unions held at Bhimavaram on the 3rd September last, a resolution was passed disapproving the tentative conclusion of the Committee on Co-operation in Madras that Supervising Unions may be abolished and their functions taken over by the Central Banks. The General Body is of opinion that a better line of action for the Committee is to find out why the Unions are not working well and to suggest how they may be usefully reconstituted. The Unions also disapproved the idea of the reserve funds of all societies being pooled and utilised for the rehabilitation of weak societies.

At the periodical conference of district officers and members of the legislature in Salem district, Mr. A. F. W. Dixon, I.C.S., Collector, stated that Sports Clubs had been started in over a thousand villages and would be started in over a thousand more in the course of the current year and that these clubs would really work as rural uplift societies. The executive committees of these societies would consist of the Village Headman, the Karnam, the school master, temple trustee and other men of influence in the village, and would look after various beneficent activities. He also announced that on the Tree Planting Day this year—the 22nd July—72,000 trees had been planted.

The total amount of deposits and borrowings in the Coimbatore District Bank increased during the last co-operative year from Rs. 44.75 lakhs to Rs. 47.85 lakhs. Its lendings to primary societies, including cash credit accommodation amounted to Rs. 31.26 lakhs as compared with Rs. 28.05 lakhs in the previous year. Repayments amounted to Rs. 28.14 lakhs compared with Rs. 24.44 lakhs in the previous year. Overdues under principal increased during the year from Rs. 3.17 lakhs to Rs. 5.44 lakhs, while those under interest increased from Rs. 3,198 to Rs. 6,303. This was chiefly due to famine conditions prevailing in three taluqs of the district. Out of 18 supervising unions, the Bhavani and Nambiyur Unions showed no arrears either under principal or interest. They were awarded first and second prizes for good work.

The lending rate of the Bank to primary credit societies is 5 per cent. and to loan and sale societies 4 per cent. The primary credit societies lend to their members at 6 per cent. As the margin for the societies is only 1 per cent., they are not required to make any contribution to the supervision fund, the entire cost of supervision, which during 1938-39 amounted nearly to Rs. 40,000, being borne by the District Bank alone. The net profit after meeting this expenditure amounted to Rs. 35,334 which was slightly more than in the previous year; and out of it less than Rs. 13,000 was paid as dividend on share capital at 5 per cent. The Bank now possesses Rs. 2.74 lakhs as ordinary reserve fund, which is a little more than its paid up share capital and more than Rs. 45,000 as bad debts reserve against Rs. 42,000 odd considered to be bad debts. The Bank well illustrates the advantages of having big strong central banks in the districts.

The Surat District Co-operative Bank, which is one of the strongest of its kind in the whole of India, had on 30th June 1939, a share capital of Rs. 3.52 lakhs, reserve and other funds exceeding Rs. 4.2 lakhs and deposits amounting to nearly Rs. 42 lakhs. Most of its assets were, however, in the form of investments in Government paper, less than Rs. 7.5 lakhs being loaned out to individual or society members. The Bank earned a net profit of Rs. 77,451 during the last co-operative year, of which less than Rs. 22,000 will suffice for giving a dividend of 6 per cent. on the share capital. The Directors have proposed that the bulk of the profit should be carried to the statutory reserve fund and to the Government securities depreciation fund; some amount being also set apart as bonus for borrowers and staff. We heartily congratulate Dewan Bahadur C. M. Gandhi, Chairman of the Bank, on the excellent way in which it is working for quite a number of years under his able guidance.

The Akola correspondent of the *Times of India* wrote recently as follows about the C.P. Government scheme which we published in our last number:

"The scheme of the C.P. Government to rehabilitate the co-operative movement in Berar is being very severely criticised by co-operators, as falling short of expectations and as being unworkable. The scheme proposed to reduce the debts of the members according to their paying capacity and spread them over 25 years. The scheme is also attacked as being vague in regard to the determination of the repaying capacity of debtors, the disposal of lands, the security of the Provincial Bank, etc. The contemplated debentures are considered to have no value in the market. A resort to legislation to protect the banks from involuntary liquidation, and an annual grant of Rs. 1,00,000 to ensure their working for the next five years were suggested at a meeting of Berar co-operators held at Akola."

Here is an illustration of what the Irish Agricultural Organisation Society has been able to do by means of co-operation for a particularly poor

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and backward area of Ireland, inhabited chiefly by fishermen. They have now "created their own mill, put up their bakery, started a factory for their women, have their salmon fishery and store, export and import their requisities in their own ship and do a co-operative business with their own members running in some years nearly into six figures."

What is India's message to the co-operative world? Dr. C. R. Fay, Chairman of the Horace Plunkett Foundation, London, answered this question in his inaugural address to the second Imperial Conference on Agricultural Co-operation held last year at Glasgow, as follows:—

"Horace Plunkett gave us the slogan 'better business, better farming, better living'—with better business first. I think it may be India's distinctive contribution to co-operation to make for India the successful reversal of that order—from better living to better farming and better business conjointly."

80 per cent. of the rural credit societies in Germany are undertaking the marketing of their members' produce, particularly bread-grains and potatoes. This combination of credit and trade has been there always, but is now being promoted with great vigour. It is doubly advantageous to societies: it increases their profits and makes the collection of loans easy. When it is so in an advanced country like Germany, it is much more so in India.

In Yugoslavia, the co-operative society is not only an economic but also a cultural centre. Very often it possesses a radio set so that its members may listen to talks on agricultural subjects broadcast at the instance of the Co-operative Union. In most cases the society has a library. There are some twenty-five co-operative newspapers and magazines and these are the main source of information and culture for the peasant population.

Co-operative insurance is making very sure and rapid progress in Bulgaria. In that small country there are 11 co-operative insurance unions, of which 8 do all kinds of insurance business and 3 only life business. About a third of the whole insurance business of the country is in the hands of the co-operative unions.

LIST OF SOCIETIES REGISTERED AND CANCELLED

List of Societies Registered in August 1939.

Serial No.	Name of the Society.	District.
1	The Borubhadra Co-operative Society ...	Vizagapatam.
2	The Bhairisingupuram Weavers' Co-operative Sale Society, Ltd.	"
3	The Tulagam Co-operative Society. ...	"
4	The Scottapeta Co-operative Society ...	"
5	The Kondavalsa Co-operative Society ...	"
6	The Subbampeta Fishermen's Co-operative Credit Society, Ltd.	E. Godavari.
7	The Nandigama Board High School Students' Co-operative Stores, Ltd.	Krishna.
8	The Yerallapadu Co-operative Credit Society ...	"
9	The Kekarlamudi Mallikarjuna Co-operative Credit Society.	"
10	The Ponnavaaram Co-operative Credit Society...	"
11	The Cherukupalli Co-operative Credit Society ...	Guntur.
12	The Muppalla Co-operative Credit Society ...	"
13	The Guntur Gokul Co-operative Milk Supply Society, Ltd.	"
14	The Guntur District Medical Co-operative Society, Ltd.	"
15	The Vemparala Co-operative Credit Society ...	Nellore.
16	The Perimidi Co-operative Credit Society ...	"
17	The Bhimavaram Subramanyeswara Co-operative Credit Society.	"
18	The Zuvvalapatiyam Co-operative Credit Society	"
19	The Tada Co-operative Credit Society ...	Chittoor.
20	The Satravada Viswakarma Metal Workers' Co-operative Purchase & Sale Society, Ltd.	"
21	The Government Revenue Servants' Co-operative Society, Ltd.	"
22	The Yerramukkapalle Co-operative Milk Supply Society, Ltd.	Cuddapah.
23	The Stanley Medical College Students' Co-operative Stores, Ltd.	Madras.
24	The Cheyyar Board High School Students' Stores Ltd.	N. Arcot.
25	The Neiveli Mangalambika Co-operative Credit Society.	Tanjore.
26	The Periyakottai Co-operative Credit Society ...	"
27	The Kasipalayam Co-operative Credit Society ...	Trichinopoly.
28	The Periamathia Gudalur Co-operative Credit Society.	"
29	The Sattiramanai Co-operative Credit Society ...	"

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Serial No.	Name of the Society.	District.
30	The Periyakombai Co-operative Credit Society ..	Salem.
31	The Inam Kattupatti Co-operative Credit Society	"
32	The Dharmapuri Co-operative Land Mortgage Bank, Ltd.	"
33	The Thummakundu Perumalpatti Co-operative Credit Society.	Madura.
34	The Veppankulam Co-operative Credit Society.	"
35	The Thummakundu Pudupatty Co-operative Credit Society.	"
36	The Victoria Memorial Board High School Students' Stores, Ltd.	"
37	The Melur Board High School Teachers' & Students' Co-operative Stores, Ltd.	"
38	The Melur Taluk Co-operative Land Mortgage Bank, Ltd.	"
39	The Vadipatty Co-operative Credit Society ...	"
40	The Uthamapalayam Board High School Students' Co-operative Stores, Ltd.	"
41	The Sriviliputtur Co-operative Cottage Industries Society, Ltd.	Ramnad.
42	The Keelakottai Co-operative Credit Society ...	"
43	The Porsikavundanpalayam Co-operative Credit Society.	Coimbatore.
44	The Coonoor Municipal Superior Employees' Co-operative Society, Ltd.	"
45	The Kooniyur Co-operative Better Living Society, Ltd.	Tinnevelly.
46	The Karikurichi Co-operative Better Living Society Ltd.	"
47	The Tinnevelly Government Secondary Training School Students' Co-operative Stores, Ltd.	"
48	The Koilpatti Board High School Students' Co-operative Stores, Ltd.	"
49	The Koilpatti Co-operative Land Mortgage Bank, Ltd.	"
50	The Ambasamudram Co-operative Stores, Ltd. ...	"
51	The Wynad Fruit Growers' Co-operative Marketing Society, Ltd.	Malabar.
52	The Aaron Co-operative Credit Society, Ltd. ...	"
53	The Madayi Fishermen's Co-operative Credit Society, Ltd.	"
54	The Ponneri Co-operative Land Mortgage Bank, Ltd.	Chingleput.

LIST OF SOCIETIES REGISTERED AND CANCELLED

List of Societies Cancelled in July 1939.

S. No.	Name of the Society.	District.	Date of cancellation.
1	Puduparthi C. S. ...	Nellore	... 5-7-39
2	Pallikkal Puthur Co-operative Credit Society ...	Malabar	... 7-7-39
3	Kongamacherla C. S. ...	Kistna	... 7-7-39
4	Sulran's Battery Co-operative Credit Society ...	Malabar	... 11-7-39
5	Perumapattu C. S. ...	North Arcot	... 11-7-39
6	Su. Nallur Co-operative Credit Society ...	"	... 13-7-39
7	Ambalur Co-operative Credit Society ...	North Arcot	... 13-7-39
8	Chambal Christian C. S. ...	Malabar	... 14-7-39
9	Perunthuraipattu C. S. ...	North Arcot	... 14-7-39
10	Chowa Christian Co-operative Credit Society ...	Malabar	... 14-7-39
11	Nallur C. S. ...	Tinnevelly	... 15-7-39
12	Ayyampalayam C. S. ...	North Arcot	... 15-7-39
13	The Government Telegraph Employees' Co-operative Building Society ...	Madras	... 16-7-39
14	Pudumadam C. S. ...	Ramnad	... 18-7-39
15	Narasapuram C. S. ...	Salem	... 18-7-39
16	Sixth Circle Agricultural Dept. Public Servants' C. S., Ltd. ...	Madura	... 19-7-39
17	Boyanapudi C. S. ...	East Godavary...	... 19-7-39
18	Kibili Bommeppalle C.S. ...	Cuddapah	... 26-7-39
19	Jagannathapuram C.S. ...	Chittoor	... 27-7-39
20	Pattavirthi F. L. C. S. ...	Tanjore	... 27-7-39
21	Kallakurachi Co-operative Credit Society ...	South Arcot	... 28-7-39
22	Valakulam Co-operative Credit Society ...	Malabar	... 31-7-39
23	Kudithini Kumbly Weavers' C.S....	Bellary	... 31-7-39

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List of Societies Registered in September 1939.

Serial No.	Name of the Society.	District.
1	The Vempadu Co-operative Society ...	Vizagapatam.
2	The Chelliganivals Co-operative Society ...	"
3	The Palakonda Land Mortgage Bank ...	"
4	The Kondevaram Spinners' Co-operative Purchase and Sale Society Ltd.	E. Godaveri.
5	The Rajahmundry Timber Workers' Co-operative Thrift Society Ltd.	"
6	The Mallesala Co-operative Credit Society ...	"
7	The Pithapuram Fruit Growers' Society, Ltd ...	"
8	The Tyajampudi Sri Krishna Co-operative Credit Society.	"
9	The Allapuram Sree Seetha Rama Co-operative Credit Society.	Krishna.
10	The Lady Ampthill Secondary & Training School Co-operative Stores, Bezwada.	"
11	The Hindu College High School & Training Employees' Co-operative Society, Bezwada	"
12	The Reddipalem Hamlet & Gokavaram Co-operative Society.	"
13	The Kothapalem Co-operative Tenants' Society.	"
14	The Nagaryalanka Weavers' Co-operative Society.	"
15	The Ponnur Yanadi Co-operative Society ...	Guntur.
16	The Jaggapuram Sri Chendrasekhara Co-operative Credit Society.	"
17	The Piratlanka Co-operative Society ...	"
18	The Tenali Padmasali Weavers' Co-operative Sale Society.	"
19	The Atmanur Land Mortgage Bank, Ltd. ...	Nellore.
20	The Nellore Government Secondary Training School (Masters) Students' Co-operative Stores, Ltd.	"
21	The Sullurpet Board High School Students' Co-operative Stores Ltd.	"
22	Vendloorpad Co-operative Credit Society ...	"
23	The Harischendrapuram Co-operative Credit Society.	Chittoor.
24	The Naithavadi Co-operative Credit Society ...	"
25	The Melpadi Co-operative Thrift Society Ltd ...	"
26	The Punganoor Co-operative Sale Society Ltd. ...	"
27	The Bandulapalle Co-operative Credit Society.	"
28	The Vepulaleyur Co-operative Thrift Society Ltd.	"
29	The Aurangi Madigapalle Co-operative Thrift Society Ltd.	"

LIST OF SOCIETIES REGISTERED AND CANCELLED

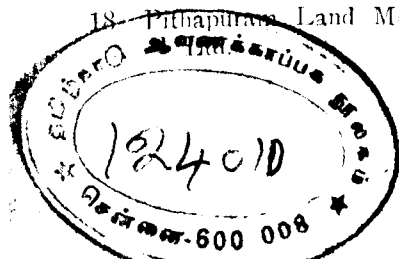
S. No.	Name of the Society.	District.
30	The Hindupur Edward Coronation Municipal High School Students' Co-operative Stores, Ltd.	Anantapur.
31	The Anantapur Municipal High School Students' Co-operative Stores, Ltd.	"
32	The Rachanepalli Co-operative Society ...	"
33	The United India Employees' Co-operative Society, Ltd.	Madras.
34	The Tellimedu Cheri Co-operative Credit Society	Chingleput.
35	The Walajabad Co-operative Stores, Ltd. ...	"
36	The Karanaipuruducheri Co-operative Egg Production and Sale Society Ltd.	"
37	The Katpadi Co-operative Egg Marketing Society Ltd.	N. Arcot.
38	The Tanjore City Co-operative Milk Supply Union Ltd.	Tanjore.
39	The Nagapatam National High School Students' Co-operative Stores, Ltd.	"
40	The Manambuchavady Co-operative Milk Supply Society.	"
41	The Karunthai Co-operative Milk Supply Society, Ltd.	"
42	The Rajendram Co-operative Milk Supply Society, Ltd.	"
43	The Tanjore Fort Co-operative Milk Supply Society, Ltd.	"
44	The Kattuputhur Plantain and Sugar Cane Growers' Co-operative Sale Society, Ltd.	Trichy.
45	The Nakkasalem Co-operative Society ...	"
46	The Palappatti Manuarpalayam Co-operative Society.	"
47	The Rajapalayam Co-operative Stores, Ltd. ...	Ramnad.
48	The Koolayanoor Co-operative Credit Society ...	Madura.
49	The Aruppampatty Kallar Co-operative Credit Society.	"
50	The Sillamarathupatty Co-operative Credit Society.	"
51	The Palni Co-operative Land Mortgage Bank, Ltd.	"
52	The Dindigul Co-operative Stores, Ltd. ...	"
53	The Batlakundu Co-operative Stores ...	"
54	The National Co-operative Stores, Ltd. ...	"
55	The Palani Co-operative Stores, Ltd. ...	"
56	The Aruppukottai Co-operative Stores Ltd. ...	Ramnad.
57	The Virudunagar Co-operative Stores, Ltd. ...	"
58	The Devakottai Co-operative Stores ...	"
59	The Ramnad Co-operative Stores ...	"
60	The Paramakudy Co-operative Stores ...	"

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S. No.	Name of the Society.	District.
61	The Thiruvadani Co-operative Stores, Ltd. ...	Ramnad.
62	The Chittomadi Co-operative Society, Ltd. ...	"
63	The Sattur Teachers' Co-operative Society, Ltd. ...	"
64	The Srivilliputtur Co-operative Stores, Ltd. ...	"
65	The Karikudy Co-operative Stores, Ltd. ...	"
66	The Sinthiluppu Co-operative Credit Society ...	Coimbatore.
67	The Ramachandrapuram Co-operative Credit Society. ...	"
68	The Anamalai Government Cinchona Plantation Employees' Co-operative Stores, Ltd. ...	"
69	The Kuppampalayam Co-operative Society ...	"
70	The Nagaram Co-operative Milk Supply Society, Ltd. ...	Malabar.
71	The Calicut Co-operative Milk Supply Union, Ltd. ...	"
72	The South Kanara Fruit Growers' Marketing Society, Ltd. ...	S. Kanara

List of Societies Registered in August 1939.

S. No.	Name of the Society.	District	Date of Cancellation.
1	Maruthakudy F. L. C. S. ...	Tanjore	1 8 39
2	Muthukur Christian C. S. ...	Cuddapah	1-8-39
3	Tatiparthi C. S. ...	E. Godavary	2-8-39
4	Na-Gangupattu Credit Society ...	N. Arcot	2-8-39
5	Lakshmigudi F. L. C. S. ...	S. Arcot	2 8-39
6	Kovummal Credit Society ...	Malabar	3-8-39
7	Veeraganur Keelnattur Koravars' C.S.	Salem	3 8-39
8	The Kamalapuram C. S. ...	Kistna	4-8-39
9	The Rajupeta Adi Andhra Co-operative Purchase and Sale Society.	"	7-8 39
10	Kollegal Adi-Dravida C. S. ...	Coimbatore	12-8-39
11	The Christian Central Bank Employees' Co-operative Society.	Madras	14 8-39
12	Chickamudnur C. S. ...	S. Kanara	16-8-39
13	Purthakudi F. L. C. S. ...	Trichinopoly	17-8-39
14	Morikallu C. S. ...	Nilgiris	21-8-39
15	Muthigi C. S. ...	Bellary	28-8-39
16	Ambur North C. S. ...	N. Arcot	31-8-39
17	Selayanur C. S. ...	"	31 8-39
18	Pithapuram Land Mortgage Bank,	E. Godavary	31-8-39



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THE
South India Co-operative Insurance Society,
LIMITED.

Head Office: MADRAS.

President:—HON. MR. V. RAMADAS PANTULU, B.A., B.L.

IMPREGNABLE SECURITY.

- o The Society's powerful reserves and the assets covering them are unsurpassed in strength. Rs. 2 lakhs deposited with the Government of India.
- o Mortality experience due to careful selection of lives is extraordinarily light as could be gathered from the valuation report.
- o The Society is managed efficiently by renowned Co-operators.
- o Prompt settlement of claims and easy policy contracts are other advantages.

Branch organisations throughout India.

V. VENKATACHALAM, M.A., B.L.,
Secretary.