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Madras Journal of Co-operation

EACH FOR ALL AND ALL FOR EACH

Journal of the Madras Provincial Co-operative Union, Esplanade, Madras.

JULY 1946.

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The Shape of Things.

Co-operation in Hyderabad:

In this issue we have reproduced a note on the development of co-operation in H. E. H. the Nizam's Dominions to which we invite the attention of our readers. The account gives succinctly the various phases of the movement to convince the reader how the food crisis in India which necessitated several controls has also contributed to the evolution of a new policy of giving a co-operative bias to all rural activities. The note draws attention to one special feature of the new scheme to which, in British India, we do not generally attach much importance. The scheme aims at bringing the *Sahukars* and the merchant community into the fold of co-operation. Though there is no ban as such on *Sahukars* and the merchant community, their association is not wholly welcome. Nor are special efforts made to bring them into the movement as Hyderabad seeks to do. In fact their entry is looked upon often with suspicion and distrust, especially in the consumers' movement. However, the observations of the Registrar of Co-operative Societies, Hyderabad, quoted in the note, deserve consideration. He says: "More often than not the rural economy of the country and the social structure of the people, particularly that of the village communities, has been disregarded by the sponsors of the movement. Co-operation has been preached as a doctrine of moral philosophy rather than as a system of practical economy. Again, it has always been presented

in a foreign garb. It is almost impossible to convince the masses of the usefulness of the movement by referring to the achievements of Raiffeisen Banks or of Danish societies. A vast majority of the people are illiterate. They have no imagination beyond what they see around them. But they know very well how to look after their business, however crude their methods may be. Indian society has been, from times immemorial, divided into castes and sub-castes on a professional basis in which the *Sahukar* has played his part and continues to do so. No matter what may be said regarding the merits or demerits of the caste system, the fact remains that it is the very essence of our social system. Even to-day, despite the impact of outside influences which have seriously disturbed the corporate life of the village, it is not uncommon to the communal services performed by different classes of society in the village. The land revenue policy of the Government recognises the 'balutadari' system prevalent in the villages and gives effect to its customary laws and traditions. It would, therefore, be a mistake not to recognise this structure of society and to eliminate the *Sahukar* from the purview of the co-operative movement as an 'untouchable'."

While we cannot subscribe to all these observations some of which appear to be sweeping, we agree that there is much in what the Registrar says to ponder over. At the same time, it must be recognised that there is a school of thought which strongly believes that the presence of the *Sahukars* and the merchant community in the movement is not in the interests of the other classes of the community as often their interests are bound to clash and as their profit motive cannot be reconciled with the service motive. While we do not plead for the exclusion of any section of the community, we hesitate to endorse a policy designed to bring them into the movement at any cost.

Co-operation in Ceylon :

We have reproduced elsewhere a good summary of the progress of the movement in Ceylon. There is so much in common between India and Ceylon, anything which promotes the economic well-being of the Island will be read with more than ordinary interest. It may be remembered sometime ago we reproduced excerpts from the report of the Soulbury Commission dealing with the consumers' co-operatives. From the present account it will be seen there are other aspects of co-operation, which are slowly and steadily making progress conferring benefits on the Island population. We have no

doubt the movement is bound to grow on right lines if the Island benefits by the experience gained in India over a long period of years.

Co-operation in Madras :

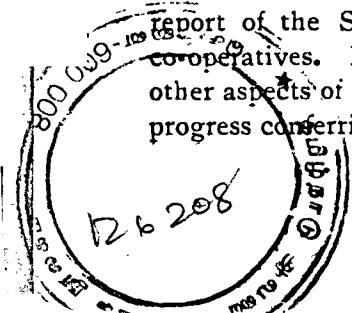
We have, in this issue, reproduced in full extracts from the Administration Report of the province for 1944-45 dealing with the progress of the movement. It is an admirable summary avoiding unnecessary details and giving a good cursory view of the movement as it obtains. We heartily commend it to the notice of our readers.

Producers' Co-operatives :

An experiment on a large scale of organising producers is being attempted in Malabar. Organised as they will be to meet a situation created by the food crisis, they may lack the stability generally associated with the co-operatives. Nor are we sure those joining them will be sufficiently conversant with the principles and ideals of co-operation. We deprecate strongly such hasty organisation. In this connection, we cannot help recalling a movement started a few years ago to organise credit co-operatives to find an outlet for the plethora of funds at the disposal of the Apex Bank. How far these have taken root and how much they have contributed to the overdues in the province are matters of common knowledge. We also find that rules governing the recruitment of Junior Inspectors, who have to be in charge of these producers' co-operatives, are to be waived. We must also put in an emphatic demurrer to this exemption. In view of the new types of societies proposed, it is all the more necessary experienced officers of the Department should be placed in charge of these co-operatives. With novices to organise and supervise these societies and with members hardly imbued with co-operative ideals and ideas, we are not sanguine that the movement will show real progress. Where societies already exist let them be entrusted with the work now assigned to producers' co-operatives. We caution against entrusting onerous duties to new-fledged co-operatives. We cannot help sounding this note of discord.

Officialism :

Co-operators have always deprecated strongly undue interference by officials in the working of societies. It is said much can be indirectly done to keep the co-operatives on the path of rectitude



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even if the officials discharge their statutory functions efficiently. To interfere or impose their will even in regard to amendments to by-laws when they do not offend the Act or the rules made under it, is, to say the least, needless interference. It is more so when the amendments are based on grounds of justice and equity. We are constrained to make these remarks by the recent happenings in regard to an amendment to a by-law passed by the Madras Handloom Provincial Co-operative Society. If we are correctly informed, the amendment is pending registration for more than six months and the delay is due to interference first by the Advisers' regime and then of the Ministry. Under section 12 of the Co-operative Societies Act, the Government can intervene only when registration of the amendment to a by-law is refused and that, too, on appeal by the aggrieved party. In this case it appears to be an instance where the registering authority sees no objection to register the amendment but the Government are, for some reason, opposed to the amendment. May we venture to state that this is a clear case of undue interference with the decision of a sovereign body which possesses the right to alter its by-laws consistent with the Act and the rules framed under it. We hope the Government will be wise to take off their hands and allow the Registrar of Co-operative Societies to exercise the powers vested in his discretion.

Encouragement to Agriculture:

The aim of the British Government's agricultural policy has been announced and the announcement emphasises the Government's aim to develop home production of food to the fullest extent as envisaged in the recommendations of the Hot Springs Conference on Food and Agriculture. The statement proceeds to state that this prospect pre-supposes "a healthy and efficient agriculture capable of producing at the lowest price consistent with the provision of adequate remuneration and decent living conditions for farmers and workers, and with a reasonable return on capital invested." This is proposed to be achieved by establishing a system of assured markets and guaranteed prices for the principal agricultural products. Prices for crops are to be determined 18 months ahead of the harvest. To meet changing national requirements, there may be the possibility of quantitative limitations of certain kinds of production but these limitations will be announced at least 18 months before the harvest in the case of crops. The Government also propose to seek powers "to acquire land by voluntary negotiation; or compulsorily in cases

of dispossession or where public ownership is the only means of securing the full productive use of the land." May we commend these suggestions to our Government and plead that a statement of policy similar to that made in Britain is urgently called for. "Grow More Food" is all important, and effective measures designed to achieve the objective must be formulated and given effect to. Policy of 'wait and see' spells disaster. Unless more is produced and made available for distribution, measures for effective control of distribution alone cannot stave off hunger. Nor is it wise to keep the population any longer on starvation rations. Falling off in intake from 2,200 to 1,400 calories is bad enough. The deleterious effects of further reduction can well be imagined. To be forewarned is to be forearmed; but not to heed the warning is a sign of foolhardiness if not madness.

Effect of low ration on physique:

In European countries owing to conditions created by the war, people are forced to subsist on low rations. It is said that the experience of those, who dealt with the grave famine situation in some of the European countries, affords clear evidence that there is rapid deterioration of physical condition, loss of weight and the appearance of diseases of malnutrition among people forced to subsist on calorie levels just about 1,000 and below. If it is remembered that the normal calorie levels should be between 2,600 and 2,800, the plight of those living on such meagre rations can be imagined. In India too, with the reduction of ration to 12 ozs., the calorie level has come down to 1,400. But we are not sure the level is the same everywhere as the number of calories obtained differs upon the cereal used and the other items of food consumed. So no attempt should be made to cut down the ration further. If one cereal is not available, it may be replaced by another; if no cereal is available substitute foods of equal food value must be found whatever be the cost involved in their procurement. We also wish to emphasise that attempts to secure cereals or other substitute foods should be quickly made. We are somewhat surprised at, nay annoyed with, the leisurely way the Government of India are going about the business.

Food situation:

It is gratifying to note the Unofficial Food Mission from America is deeply impressed of the gravity of the situation. The Mission has

paid a well-deserved encomium to India, especially to South India, for the heroic efforts made to ward off famine created by scarcity by undertaking procurement operations and by the method of equitable distribution both through formal and informal rationing. "Heaven helps those who help themselves" is a well-known adage; but some times the fact of our managing our own affairs in a fair manner is no passport to preferment. Mismanagement is often at a premium. It is hoped at the Food Conference convened at Delhi during the next month, Madras representatives will spare no efforts to impress on the Government of India to give immediate and timely assistance to Madras. The food problem in Madras is no longer one of austerity but absolute shortage. The sooner this is recognised and supplies flow freely, the better it would be to avoid a catastrophe unheard of and even the man-made Bengal famine will pale into insignificance.

We also earnestly plead that further efforts to bring arable land under cultivation by offering all kinds of inducements so that the shortage may be reduced to some extent is the need of the hour. We expect the Congress Ministry now in office to announce these measures and carry them out without fear or favour. The discussions on food situation recently held must have given the Ministry enough ideas to examine their practicability and formulate measures.

Cloth position :

We congratulate the Government of India on their decision not to permit for the present increase in the price of coarse cloth. We trust this decision applies to coarse yarn as well. But we are not sure if this decision is final, as they propose further investigation before confirming or altering the prices. We have every hope the evidence forthcoming will enable the Government of India not to yield to clamour of vested interests as any rise in prices will seriously affect those who have been heroically managing to live in spite of the abnormal rise in the cost of living.

The XXVI Madras Provincial Co-operative Conference.

THE MADRAS PROVINCIAL CO-OPERATIVE
UNION, 379, ESPLANADE, MADRAS.

CIRCULAR. 19th July 1946.

(To all Provincial Societies, Central Banks, District Wholesale Stores, Local Unions, Urban Banks, Land Mortgage Banks, Non-credit Societies and Unlimited Primary Societies with a working capital of Rs. 50,000.)

DEAR SIR,

The Twenty-sixth Provincial Co-operative Conference will be held at Madras in September 1946. The exact date and place when the conference will be held will be informed later on.

This Conference is an important one. A popular Ministry is administering the province and is expected to take important decisions, relating to and concerning Co-operative movement, including amendment of the Co-operative Societies Act. The Co-operative movement has played a noble part during the war and has contributed to the checking of black marketing, which has become the cancer of the society requiring drastic action by the Government. Co-operative institutions have not so far received proper encouragement. Famine, in food and cloth, is threatening the country. The Co-operative movement has got a vital part to play in putting an end to black marketing.

This is the opportune time when Co-operators in the Province should meet and press their point of view on the popular Ministry. So I appeal to all co-operative institutions in the province to take part in the Conference by electing Delegates to the Conference and make it a success.

Delegates:—Information regarding the number of delegates each type of Institution can elect, the delegate fee payable, etc. have been printed on the next page.

Donations:—The success of the Conference depends upon the financial support that Co-operatives give. The delegate fee alone will be insufficient to meet the cost. So I appeal to all co-operative institutions to send liberal donations.

Boarding:—Boarding arrangements will be made by this Union for the convenience of the delegates. The fee for boarding is Rs. 4-0-0 per delegate for both the days of the session. If arrangements are desired for boarding, intimation must be given to this office on or before 15th September 1946. In view of rationing in Madras delegates are specially requested to write in time to avoid disappointment and inconvenience. Hotels will be unable to provide food and accommodation. We have to apply for sanction to the Rationing Authorities sufficiently in advance. If no previous intimation is given, under no circumstances can boarding be provided and delegates will suffer severe hardship.

Resolutions:—They are also requested to communicate to this office resolutions for consideration at the Conference on or before 15th September 1946.

All communications, money-orders, etc., should be sent to V. VIYYANNA, B.A., B.L., General Secretary, Provincial Co-operative Union, M. P. C. Bank Buildings, Esplanade, Madras.

Sri V. VIYYANNA, B.A., B.L.,

General Secretary.

B. VENKATARATNAM,

President.

„ T. NARAYANA PILLAI, B.A., B.L.,

„ P. S. GURUVA REDDI,

Honorary Joint Secretaries.

SCHEME FOR REPRESENTATION AT THE CONFERENCE.

1. The Madras Provincial Co-operative Union, the Madras Provincial Co-operative Bank, the Madras Central Co-operative Land Mortgage Bank, the Triplicane Urban Co-operative Society, the Central Co-operative Printing Works, the Madras Provincial Co-operative Marketing Society, the Madras Provincial Handloom Weavers' Co-operative Society, the South India Co-operative Insurance Society, the Co-operative Fire and General Insurance Society may each elect five delegates.

2. The Andhra Sahakara Sammelanam and the Tamil Nadu Co-operative Federation may elect ten delegates each.

3. District Central Banks may elect three delegates each.

4. District Central or Wholesale Stores may elect three delegates.

5. Co-operative Training Institutes may elect two delegates each.

6. Local Supervising Unions may elect one delegate each.

7. Limited Primary Societies, Urban Banks, Land Mortgage Banks and Non-credit Societies (Primary Stores, Producer Societies, Marketing Societies, Cottage Industries etc.) may elect a delegate each.

8. Unlimited Primary Societies with a working capital of Rs. 50,000 may elect one delegate each.

9. Societies in which other registered societies are members, other than those mentioned above, may elect a delegate each.

10. The Registrar may nominate ten delegates to represent the Department, if he wishes to do so.

11. Such of the members of the Executive Committee of the P.C.U. as are not elected by any of the above constituencies shall be deemed *ex officio* delegates.

<i>Scale of Delegation Fees.</i>	<i>Rs.</i>
All Primary Societies (Urban and Rural) and Supervising Unions, and Training Institutes ...	3
Central Banks and District Stores ...	5
Provincial Societies and Language Federations ...	10

The above delegation fee is irrespective of the number of delegates that the institution may send.

EXHIBITION.

Along with the Conference there will be an Exhibition of Industrial and Agricultural Products—Co-operative Societies which are producing Societies are requested to take part and intimate in advance.

The National Government and Co-operative Movement.

BY K. RAMANKUTTI NAIR, B.A.

It is indeed a matter for gratification that a National Government has been formed for our Presidency also. The Government have assumed office and have lost no time to announce their policy to associate the people of the country as far as possible with the administration of the various departments.

Food and cloth are the two urgent problems facing the country, and the Government are determined to meet them both with a view to averting any possible crisis and affording relief to the producer as well as the consumer. Existing Food Councils are proposed to be scrapped as not truly representative and to install in their stead Village, Taluk and District Committees composed of representatives of the people. As proposed originally, the Village Committees are to be formed by nominating suitable persons of the localities; the Taluk Committees by representatives of the Village Committees and the District Committees by delegates from the Taluk Committees. In the words of the Prime Minister these Committees are "to do the job of assisting people to get food and cloth." Local Agents or Co-operative Societies are to be entrusted with the procurement and distribution of food.

Co-operative movement is essentially a popular movement and the societies are democratic bodies. The existing structure of the movement, with the primary village societies as the units, the Taluk Unions composed of representatives from Village Societies, and the District Federations, now merged into the District Banks constituted of delegates from Unions, is analogous to the proposed constitution of the various Food Committees. There is no place for caste, creed or religious distinctions in the movement and it would, therefore, be a step in the right direction if these societies which are also above politics are recognised as the various committees.

With the Government support the Societies can well be expected to do the job to the satisfaction of all concerned. Such a course would also save the Government from the laborious task of forming the various Committees within the short time available and also from the objection that the Village Committees are not democratic as their members are proposed to be nominated. The societies,

when so recognised, can undertake procurement and distribution also and thereby dispense with the need to have other different agencies for the purpose. It may be noted with great satisfaction that the Prime Minister has announced that the Committees are to be organised only in villages where there are no co-operatives societies.

That there are still many villages which are not served by Co-operative societies; that there are no proper persons coming forward to work up societies; that many of the societies are based on the unlimited liability of the members and as such it is not advisable to burden that liability by undertaking additional responsibilities and that the share basis or the financial position of most of the societies does not allow them to undertake the procurement or distribution work as it requires huge funds to be placed at the disposal of the societies, are some of the objections that may be raised against a move like this. These objections, I believe, can be surmounted and that must be done in view of the importance and urgency of the situation.

If Village Committees can be organised it must be more easy to organise societies wherever they do not exist as there is already a Government machinery in existence for registration of such societies. As to the dearth of men to work up the scheme a provision can be made in the by-laws of societies making Revenue, Agricultural and Co-operative Officials and other suitable persons as ex-officio members of their managing committees. The liabilities incurred on account of this emergency scheme can very well be kept apart from the unlimited liability of the members by introducing transitory by-laws. And with the Government guarantee there may not be any difficulty for finances also.

It is thus for the co-operators to see that a bold step is taken now and the movement is made useful to the people at a time when the whole country is faced with a crisis. For this I would suggest that the Madras Provincial Union should, in consultation with the Madras Provincial Bank and the Registrar of Co-operative Societies, draw up a workable plan and place it before the Government immediately. They should also give a clear direction to the district organisations as to what they should do in this behalf.

Development of Co-operation in H. E. H. The Nizam's Dominions.

(Contributed.)

H. E. H. the Nizam's Government has sanctioned a reorganisation scheme of the Co-operative Department which involves an annual expenditure of about Rs. 13 lakhs. Some of the major aspects of this scheme have already been given effect to. Co-operation, which during the last 30 years figured largely as a banking movement, has been reorganised so as to conform to the economic and social needs of the rural community. It aims to establish self-contained villages held together by a healthy corporate spirit. To this end multi-purpose societies have been organised in every taluka with the object of helping the production and marketing of agricultural produce and for the distribution of the necessities of life at cheap prices.

The food crisis in India, which necessitated several controls and brought into existence a new machinery for the production, storage and distribution of foodgrains and essential produce, has largely contributed to the evolution of this new policy of giving a co-operative bias to all rural activities. It was found from experience that Government control over the movement of agricultural produce was essential if profiteering by the capitalists and exploitation of both the producer and the consumer were to be prevented. But such prevention was not practicable without the active co-operation of the producer and the trader and therefore it was found necessary to win the co-operation of both by giving a co-operative turn to food administration.

By the "Levy Collection Order" it is compulsory on every cultivator to sell to the Government a portion of his foodgrains produce on every acre brought under cultivation. Co-operative Societies have been entrusted with the work of purchasing and storing of the 'levy' grain which is either shifted to deficit areas or sold locally by means of co-operative retail shops. The Government has also given the cultivators the option to deposit 1/8 of the 'levy' grain towards their share capital into the local Grain Banks. This grain is given on loan to the members to be repaid in kind at 25 per cent interest per annum. With the Grain Banks so constituted the problem of starvation in the villages and of seed stocks has been solved. This measure will go a long way to relieve the cultivator from the pressure of indebtedness and in increasing his prosperity and standard of life. Nearly 8,000 Grain Banks have so far been set up. It is expected that in the course of the next three years every one of the 21,000 villages of H. E. H. the Nizam's Dominions will have a Grain Bank.

Taluka Co-operative Development Unions or multi-purpose societies have been established in all the 104 talukas of the Dominions with the object of helping the production and marketing of agricultural produce and for the distribution of the necessities of life at cheap prices. They

are fully representative of the interests of producers, consumers and merchants. Attempt has been made to entrust the business organisation of the Unions to members of the merchant community who are experts in trade matters. The Royal Commission on Agriculture in India said "The aim of better marketing is not necessarily to displace any unit in the existing machine but to enable that machine to function to greater advantage." It is, therefore, not intended to oust the merchants from their hereditary profession in which they have been engaged for centuries. In fact, a large amount of the share capital of the Unions which amounts to nearly Rs. 2 crores belongs to the merchant community. The paid-up share capital of the Unions is about Rs. 50 lakhs.

The Unions are primarily business organisations. Under the directions of the Supply Department they are carrying on export trade of farm produce on a large scale. As commission agents the Unions are entitled to charge a fee of annas twelve per palla on all exports of agricultural produce which goes to build up their reserves. So far the Unions have earned a commission of nearly Rs. 35 lakhs on the export of groundnuts alone and an equally large amount on the export of cotton seeds and pulses. The business turnover of the Unions during the past one year of their existence has been well over Rs. 8 crores.

Warehousing is one of the important activities of the Taluka Unions. A Rs. 50-lakhs Trust has been founded by the Government for the construction of godowns throughout the State. These godowns are under construction and will be handed over to the Taluka Unions on a hire-purchase system. In time to come, they will be used as 'licensed warehouses' and will at once solve the problem of marketing and of short-term agricultural finance. This measure will go a long way in reducing the difference between the producer's and consumer's prices.

In the field of social reform the Unions will concentrate their attention on the immediate and pressing problems of education, health and sanitation. They will also help in improving village industries by providing raw materials to village artisans and arranging for the sale of their finished goods. All Taluka Unions have been required to draw up a 5 to 10 years' plan for carrying out the various items of their rural development programme.

In order to avoid the dangers inherent in over-centralisation, branches of the Unions are being set up covering 15 to 20 villages in the Telingana tracts, and 20 to 30 villages in the Marhatwara. All shareholders, whether individuals or societies residing or located in the jurisdiction of a Branch, will constitute its general body. They will elect a managing committee of 12, three of whom will be representatives of societies situated within that area, and 3 will represent individual shareholders. Six members will be nominated by the Tahsildar of the Taluka or the Talukdar who will be the ex-officio chairman of the Union.

Nomination will be made with a view to have such interests represented on the committee as are necessary for the smooth running of the organisation.

Members of the Managing Committees of the Branches will constitute the General Body of the Taluka Union. Its Managing Committee will consist of 24 members as follows:—

1. One representative from every Branch of the Taluka Union.
2. Seven senior local officers of the following nation-building departments to be ex-officio members:—
 1. Co-operative Department.
 2. Veterinary "
 3. Agriculture "
 4. Health "
 5. Education "
 6. Cottage Industries "
 7. Marketing "
3. The rest to be nominated by the chairman of the Taluka Union and approved by the Talukdar.

A District Development Union will be established at the headquarters of the district with the First Talukdar or District Collector as its ex-officio chairman and the Assistant Registrar of Co-operative Societies as an ex-officio director. All Taluka Unions of the District will be affiliated to it. The District Union will be an advisory body only. It will enable the Taluka Unions to exchange ideas and benefit from the experience of one another.

The District Unions will be affiliated to the Central Co-operative Union, the apex advisory body of the movement. It will serve as a clearing house of information for them and will try to disseminate among its members upto-date information about the working and programme of different kinds of co-operative organisations not only in Hyderabad but in foreign countries as well. Education and propaganda form the main part of its activities. Publicity is done through the monthly journal "Gaon Sudhar" which is published in four mulki languages, viz. Urdu, Telugu, Marathi and Kanarese. It is contemplated to have a planning section attached to the Central Co-operative Union which will help the Taluka Unions to draw up their schemes.

One special feature of the new scheme is to bring the *Sahukars* and the merchant community into the fold of co-operation. The Registrar, Mr. Jamil Hussain, says in his scheme 'More often than not the rural economy of the country and the social structure of the people, particularly that of the village communities, has been disregarded by the sponsors of the movement. Co-operation has been preached as a doctrine of moral philosophy rather than as a system of practical economy. Again, it has always been presented in a foreign garb. It is almost

impossible to convince the masses of the usefulness of the movement by referring to the achievements of Raiffeisen Banks or of Danish societies. A vast majority of the people are illiterate. They have no imagination beyond what they see around them. But they know very well how to look after their business, however crude their methods may be. Indian society has been, from times immemorial, divided into castes and sub-castes on a professional basis in which the *Sahukar* has played his part and continues to do so. No matter what may be said regarding the merits or demerits of the caste system, the fact remains that it is the very essence of our social system. Even to-day, despite the impact of outside influences which have seriously disturbed the corporate life of the village, it is not uncommon to see communal services performed by different classes of society in the village. The land revenue policy of the Government recognises the 'balutadari' system prevalent in the villages and gives effect to its customary laws and traditions. It would, therefore, be a mistake not to recognise this structure of society and to eliminate the *sahukar* from the purview of the co-operative movement as an 'untouchable'."

The scheme lays great stress on educating the villagers in the methods of co-operation and inculcating in them, by means of intensive and extensive propaganda, a spirit of mutual trust for mutual benefit so as to bring the disjointed and disorganised components of the village community into one solid, strong and compact unit of corporate life.

A Co-operative Training Institute has been established with four lecturers and a Chief Educational Officer. Lectures are given on the Theory and Practice of Co-operation, General Economics, Rural Economy with particular reference to the land system and the organisation of village communities in Hyderabad, Co-operative and Commercial Book-keeping and Rural Reconstruction. Practical training is given at the Patancheru Rural Reconstruction Centre. Not only are the officers and the staff of the Co-operative Department being trained but office-bearers, honorary workers and members of the Taluka Unions and village primary societies will also receive training.

Another important feature is the complete separation of audit from administration. The Audit branch has been placed under a Chief Auditor with two Assistant Chief Auditors for the banking and business section, respectively. Every district has a district auditor and three senior and three junior auditors. This arrangement will enable the Registrar to have the accounts of every society audited regularly and independently by a qualified staff.

On the administrative side there is an Assistant Registrar for every district, an Inspector for every Taluka, a Manager for every Central Bank and a Supervisor for every group of 20 to 30 societies. There are at present more than 13,000 co-operative societies in the State.

A separate scheme for propaganda is pending the sanction of the Government.

Special schemes for the uplift of aboriginal tribes are already in operation in Utnur and Amrabad Talukas and more concentrated work is being done under the Nizamsagar Project. A scheme for the formation of agricultural and industrial colonies of ex-soldiers and for intensified co-operative work under the Tungabhadra and Dindi Projects is also under the consideration of the Government.

Note on the Distribution of Compost Manure by Co-operative Sale Societies in the Madras Presidency.

(Contributed.)

Though municipal rubbish and night-soil have been recognized to have substantial manurial qualities and have been used by ryots as manure here and there for a long time, it does not appear that until recently any serious attempts were made in this Province to explore the possibilities of preparing out of them, a manure on scientific or hygienic lines to make it inoffensive to the users. The rubbish was in many towns used to fill up low-lying places and only the night-soil was sold to ryots in small lots for being used as manure. In certain places, as for example, Mangalore, people had such an aversion to it that they would not take it even when given free. Such was the general position with regard to the utilisation of night-soil and rubbish as manure till the outbreak of war, and, naturally, therefore, Co-operative Societies took no part in the distribution of this kind of manure.

2. The Madura Sale Society in the Madura district was the first society to tackle this question, and obtained the contract for sale of municipal rubbish and night-soil at a concessional rate of Rs. 25,000 for the year 1937-38 through the good offices of some of its Councillors. The wholesale contractors who had the lease during the preceding years had done the spade-work and taught the ryots the value of night-soil as manure, but the methods of distribution adopted by them were by no means satisfactory. In their anxiety for quick turnover, the contractors sold the night-soil and rubbish in large quantities at wholesale rates to a number of middlemen who came on the scene and naturally, therefore, the ryots had to pay a high price for this manure. The price charged to the small ryot who bought for cash was Rs. 2-8-0 per cart-load of night-soil and 0-12-0 per cart-load of rubbish while the ryot who took the manure on credit had to pay an additional charge of 1 anna per rupee per month towards interest. Again, neither the contractors nor the middlemen distributors paid any attention to the hygienic way of disposal. The Madura Sale Society, which took the lease for 1937-38, was anxious to ensure a better and more equitable distribution. In the first place it reduced the price of the night-soil from Rs. 2-8-0 to Rs. 1-12-0 per cart-load and that of rubbish from Re. 0-12-0 to 0-9-0 to begin with and later on to Rs. 0-7-0 per cartload. The society then took up a series of experiments in the preparation of compost manure from the night-soil and rubbish with a view to supplying it to ryots in the least dangerous and offensive form. For this purpose, it adopted what is known as the 'Indore Process' The process is a very simple one. It consists in spreading on the floor of a wide shallow trench, alternate layers of rubbish and

night-soil until there are three layers of night-soil between four of rubbish. This mixture is turned over for the first time two days after the charging. It is again turned over eight days and again about fifteen days after the charging, water being sprayed over the surface if, due to heat or wind, the top layer becomes too dry. The mixture is then allowed to stand for about three or four weeks after which it is ready for use as manure. The society started its experiments in preparing compost with one cartload of night-soil to two cart-loads of rubbish. The product obtained was perfectly inoffensive smelling no worse than leaf mould or fresh earth. The analysis by the Agricultural Chemist, Coimbatore, showed that this compound was equal in manurial value to farmyard manure except for the fact that the cost was too high, being Rs. 2-8-0 per cart-load while its equivalent in farmyard manure was selling at Re. 1-4-0 per cartload. The society then mixed rubbish and night-soil in the proportion of 4:1 and did composting by the heap method thus eliminating the expenses of digging the trench. By this process the cost of production was brought down to Rs. 1-10-0 per load without sacrificing any of the manurial properties of the product. Unfortunately however, by the time the society arrived at this final result, the contract year came to a close and as the contract was not renewed, the society could not put the results of its experiment to practical use. Thus ended an undertaking which promised striking beneficial results. However, on the business side, the society made a net income of about Rs. 11,000. The members who purchased the night-soil and rubbish by paying only about 70 per cent of the ruling market prices got a rebate on their purchases of about 2 annas in the rupee. The society's experiment was thus a success from all points of view.

3. The Madura experiment, as we may call it, is only an exception and the general position as stated above was one of indifference, and ryots were not keen on having the night-soil and rubbish for manurial purposes. The outbreak of war and the conditions created by it necessarily brought about a change. Chemicals and fertilisers became increasingly scarce and in view of the exorbitant rise in prices they became almost beyond the reach of the poorer ryots. A suitable substitute at less cost had, therefore, to be found. Another natural corollary of war was the acute shortage of food experienced throughout the country and this forced on the Government the need to launch a vigorous country-wide 'Grow More Food Campaign.' The activities of the campaign are of a varied character and range from distribution of seed free of cost to subsidies for sinking of wells and cash bonuses for cultivation of food crops. The preservation of the available manure and its equitable distribution became problems to be satisfactorily solved. The Government thereupon directed that the municipalities throughout the Province should undertake manufacture of compost from out of the

night-soil and rubbish collected by them. For this purpose, a number of the officers of the Public Health Department of the various municipalities were given special training in compost manufacture. Except eight municipalities which could not undertake the manufacture of compost, all the Municipalities were required to take to the preparation of this manure.

4. Inspired by the good work done by the Madura Sale Society in the past and the other war time activities willingly undertaken and efficiently discharged by the co-operative societies in general, Government advised the municipal councils to sell the compost manufactured by them to co-operative societies instead of selling it by public auctions. They also directed that the price should be fixed at an amount equal to the average rental of the rubbish and night-soil during the 5 years ending with 31-3-43. As Municipal Councils represented to Government that they were incurring expenditure in manufacturing compost and that in selling it to co-operative societies according to Government orders they would be sustaining a loss if the societies did not pay them the cost of manufacture of the compost, Government directed that the cost of manufacturing compost should be added to the average rental in fixing the price to be paid by the society for the compost. They drew a distinction between the capital and recurring expenditure in the manufacture of compost and said that while the recurring cost should be borne by the society in full, the capital expenditure such as that incurred in the sinking of wells, digging of trenches, etc., might be spread over a period of 5 years.

5. Municipalities were rather slow in taking to the manufacture of compost and co-operative societies too were not in all cases very eager to take up the distribution. With a view to encourage the distribution of compost manure, the Government of India sanctioned in the later half of 1944 a subsidy to the Provincial Government in respect of the compost distributed among cultivators and actually applied to land during the period from 1-8-44 to 31-9-1945 at the rate of annas 12 per 50 cubic feet for the first 500,000 cubic feet and an additional annas 4 per 50 cubic feet for every additional 500,000 cubic feet of compost distributed.

6. The compost distributed under the subsidised scheme in the Province during the period from 1-9-44 to 31-8-45 amounted to 692,391 cubic feet of which compost to the extent of 605,992 cubic feet was distributed by 18 co-operative societies. Of the total subsidy of Rs. 10,385-14-0 received from the Government of India, a sum of Rs. 9,089-14-0 was received by 18 co-operative societies. The societies that took up distribution of this compost are mostly co-operative marketing societies and in one or two cases co-operative agricultural improvement societies also. Though the main function of these marketing societies is to find a profitable market for the produce of their members

and for this purpose to grant loans to them on the pledge of their produce, they have provision in their by-laws for the purchase and sale of manure, implements and other agricultural requirements of their members. The distribution of compost is only their secondary activity.

7. The distribution of compost was begun rather late in the season with the result that on 31-8-45 there remained 15,35,508 cubic feet unsold. Of this, the stock with the co-operative societies was 439,700 cubic feet. Both co-operatives and Local bodies have pleaded for a continuance of subsidy for the stock remaining unsold on 31-8-45 and the Provincial Government have strongly recommended to the Government of India for the payment of subsidy in respect of this stock also.

8. The chief difficulty in popularising the use of compost is that the ryots in several places are slow to realise the advantages of this manure and in some cases are even averse to its use. In certain other areas they prefer to use the night-soil and rubbish in its fresh form rather than after composting. A good deal of propaganda will be necessary before they are able to appreciate fully the efficacy of this manure and take to its use on an extensive scale. The co-operative societies are doing their best in this direction.

Available for Sale.

MARKET INTELLIGENCE—1945

For the establishment of the Consumers' Movement on a permanent basis, it is necessary that Co-operative Stores should have upto date market intelligence. The booklet now published by the Union aims at this object and may be of immense use to Co-operative Store. It contains useful information as to the centres of production or marketing and seasons for bulk purchase, etc., of important agricultural products, such as food grains, pulses and grains, fruits, household requirements, clothing and other essential commodities.

Price per copy is Rs. 0-5-0. Postage Extra.

For 50 copies and above Rs. 0-4-0 a copy.

Copies can be had from : The General Secretary,
The Madras Provincial Co-operative Union,
Esplanade, Madras.

Co-operation Around the World

INDIA—Away From Official-ism

After experiencing difficulties which were connected with the economic depression of the early nineteen-thirties, low prices for agricultural products, etc., the situation of Indian co-operative organisations, and particularly that of credit co-operative societies improved. The co-operative movement is now looking to the future, is reviewing its present problems and is preparing itself for tasks to come. From various new developments, from statements of officials and co-operative leaders, from conferences and other sources, it is possible to form some idea of present trends within the co-operative movement in India.

For many years voices in the Indian co-operative movement have called for a "de-officialisation" of the movement; recently, the claim has been put forward more insistently. While it is recognised that the present tendency towards greater officialisation may in some cases be in the interests of efficiency of co-operative institutions and of effective supervision and administration, it is felt that after more than forty years of State initiative, control and assistance, there should be some organisations ripe for Self-Government and self-control. It is admitted that in rural areas, ignorance and illiteracy may require the close attention of co-operative registrars and their staffs, but certain urban societies, especially the urban co-operative banks, are thought to be ready for a decrease of official control.

Parallel with this movement towards greater freedom, stress is laid on the importance of co-operative training and education. "Arrangements should be made for the systematic and adequate training of official and non-official co-operative workers and for co-operative education through the provincial co-operative institutes or departmentally." As Mr. T. R. Nagaraja Rao has observed: "Co-operation can progress no further than the people can be made to understand it and administer its business."

Recent Conferences of the movement have put forward the claim that the co-operative movement should be an integral part of the development plan for India and that representatives of the movement should be included as members of the various committees set up for preparing development plans by the Central, Provincial and State Governments.

Among these plans is the movement, which is not of course new, for rural reconstruction, and this is closely linked to the problem of industrialisation. In this connection, possibilities are seen for the development of co-operation in cottage industry, in the consolidation of holdings, in providing irrigation, etc. The Conference of the All-India Co-operative Institutes' Association and the Indian Provincial Co-operative Banks' Association, held in July 1944, passed a resolution favouring the establishment of a cottage industries organisation society which would be in charge of the work of promoting the formation of industrial (workers' productive) co-operatives in rural and urban areas. The way

has given a special stimulus to the organisation of artisans and cottage workers for producing goods for which the war has created an exceptional demand, especially hand woven goods.

Attention is also being paid to the possibilities of co-operative farming in the solution of some of India's agricultural problems, though opinion is divided as to its application to that country. The introduction of co-operative farming was, for instance, recommended for certain areas (with Government sponsorship and assistance) by the 18th Bombay Provincial Co-operative Conference, but the 25th Madras Provincial Co-operative Conference expressed the view that collective farming on co-operative lines was not practicable for that Province. The Bombay Conference also urged the encouragement of consolidation of holdings through co-operative organisation (with compulsory participation for unwilling minorities).

During the last 10 years or so, slowly at first and recently more rapidly and more consciously, there has been a shifting of emphasis from credit co-operation which was and still is the predominant form in India to non-credit co-operative activities.

The 14th All-India Co-operative Registrars Conference recommended the establishment of a chain of co-operative marketing organisations, one for each suitable area, as also federations of these marketing associations either for particular commodities or for particular areas, and an All-India Co-operative Marketing Organisation. Likewise the Joint Session of the Standing Committees of the All-India Co-operative Institutes' Association and the Indian Provincial Co-operative Banks' Association recommended that efforts should be made to organise co-operative agricultural marketing societies in all parts of the country where they are not in existence at present and to develop the work of existing societies. It advised that wherever possible, arrangements should be made to link up the work of credit societies with that of marketing societies and to use the latter for the supply of domestic and agricultural requisites as well. Resolutions in the same sense have been adopted by co-operative organisations in Bombay and other provinces. Much of the recent interest in co-operative marketing has arisen in connection with "grow-more-food" campaigns and similar schemes for increasing food production in wartime.

Efforts are also being made to develop co-operative organisations of various kinds in connection with the rehabilitation of returned soldiers.

It is, however, in the consumers' co-operative movement that progress has been most marked. In 1940, there were already some 700 consumers' co-operative societies (with a minimum estimated membership of 36,000) reported in 11 Provinces of British India and 5 Indian States. Since that time the war emergency has given a great impetus

to the development of consumers' co-operative societies, particularly in the Provinces of Madras, Bombay and Assam. In Madras Province alone the number of consumers' societies rose from 899 societies with 71,000 members in 1941-42 to 938 societies, with 213,000 members in 1942-43 and 1,138 societies with a membership of 311,000 early in 1944. More than half of these societies were in rural areas at the end of 1942-43. To meet a scarcity of foodstuffs and other goods the Government gave encouragement to the consumers' societies. In many parts of the country, the Governments concerned have entrusted co-operative societies with the distribution of controlled or rationed products. In the Province of Bombay, for instance, where the number of urban consumers' co-operative societies rose from 38, with 11,069 members in June 1942, to 106, with 28,858 members in June 1943, many such societies took over the distribution of foodgrains, sugar, kerosene and commodities at controlled prices; rural co-operative societies were entrusted with the operation of government-sponsored "fair price shops." In the Provinces of Orissa and in the Central Provinces and Berar, the movement has gained much lost ground and in the Indian States, such as Travancore, it has gained a great momentum.

This growth of the consumers' co-operative movement has been welcomed by co-operative leaders and the following recommendation made by the Joint Session of the Standing Committee of the All-India Co-operative Institutes' Association and the Indian Provincial Co-operative Banks' Association summarises the view widely expressed by the co-operative movement on this subject.

(a) "This meeting records with satisfaction the growth of the consumers' co-operative movement, particularly in the provinces of Madras and Assam in the last few years and recommends that in all Provinces and States where the number of consumers' and supply societies have been organised on proper lines, their agency should be fully utilised by the authorities of the Civil Supplies Department for the procurement and distribution, both in wholesale and in retail, of various controlled articles. It further expresses the hope that both in rural and urban areas full efforts will be made to place the movement on a permanent basis by increasing the owned capital, extending the range of the articles to be supplied, arranging for the joint purchase of supplies from wholesale or marketing societies, organising the local production of the consumers' goods, providing special arrangements for concurrent audit and lastly, building up close relations with members. In the opinion of the meeting, in achieving these objects, a central wholesale society can in some cases play an important part and such wholesale society may, therefore, be organised wherever necessary.

(b) "This meeting urges on those Provincial and States Governments, which have not fully utilised the co-operative stores for the purchase and distribution of foodstuffs in areas where these exist, to entrust to them the work of distribution of controlled commodities and to encourage for this purpose the organisation of co-operative stores in areas where they do not exist."

(c) "This meeting recommends that Government should extend and develop the practice of utilising the agency of co-operative credit, multi-purpose and supply societies, financing agencies and other types of co-operative organisations for the sale of controlled commodities in rural areas."—*The Co-operative News, Adelaide (Australia)*.

Ceylon—Vigorous growth of the Co-operative Movement

The Commissioner of Co-operative Development at Ceylon has just published his report which covers the period from 1st May 1942 to 30th April 1945, on the working of the Co-operative Societies, Ceylon :—

This period was marked by expansion of the Co-operative Movement, surprising in its dimensions and in its rapidity and somewhat unexpected also in the directions which it has taken.

On 30th April 1942, the Co-operative Movement in Ceylon was thirty years old and numbered 2,036 societies comprising 91,988 members. Three years later, on 30th April 1945, the number of co-operatives had more than tripled, attaining 6,883 and the number of its members increased more than tenfold, namely, to 1,106,573.

Credit Co-operatives.

While in most agricultural countries, and particularly in the countries of Asia, the rural credit co-operatives represent the most prevalent form of co-operation, this rule is, for the moment, broken in Ceylon. It still applied in 1942: the credit co-operatives constituted then, by far, the most important category numerically, they represented by themselves more than half of the whole movement and combined about half of the total membership. From April 1942 to April 1945, the credit co-operatives of unlimited liability have experienced a normal and satisfactory progress since their number passed from 1,519 to 1,697 and their membership from 41,217 to 49,638; but, in April 1945, they constituted only one-third of the total number of co-operatives and their members represented not even the twentieth part of the over-all co-operative membership. To them must be added 114 credit co-operatives of limited liability, comprising 4,789 members. These 1,811 credit co-operatives rest financially on four central co-operative banks which have, furthermore, given efficient aid to the financing of consumers co-operatives and of their wholesale stores, as well as of the marketing co-operatives.

Agricultural Marketing Co-operatives.

The Agricultural Marketing Co-operatives were already solidly established in 1942. By the order made by the Minister for Agriculture and Lands, they were able to receive preference as collecting agents of the Government for purchases to be made in the interior of the island. From April 1942 to April 1945, their number more than doubled, passing from 71 to 160. In April 1945, their membership numbered 15,400 and their total sales amounted to Rs. 66,76,000. They developed particularly among the tobacco growers and among the coconut producers. The coconut producers co-operatives, whose number passed from 11 in 1942 to 30 in 1945, formed even a Sale Union which now has been in existence for three years and whose last sales figure amounts to nearly Rs. 14,00,000.

In the same group are found, besides dairies and marketing co-operatives for rice, onions, etc., 21 handloom weavers co-operatives (5 in 1942), 2 mat weavers co-operatives, 2 coir co-operatives, 30 fishermen's co-operatives (whose buyer has been almost exclusively the Director of Fisheries).

The five joint farming co-operatives are in the experimental stage and their success is as yet uncertain.

Consumers' Co-operatives.

These are the ones which account primarily for the extraordinary growth of the co-operative movement in number of societies and particularly in number of members. There were only 38 at the end of April 1942 and they had only 17,675 members. At the end of April 1945, they numbered 4,004 and comprised 1,010,575 members. In December 1945, they had made further progress: 4,032 co-operatives and 1,033,228 members.

This sudden and spectacular expansion is due to the propaganda campaign which opened in October 1942 following the dislocation of the distribution system which had just occurred and following the coming into being of a "black market" in the face of which the most rigorous control measures proved powerless. (Cf. "Co-operative Information", 1946 No. 12.)

The report of the Commissioner of Co-operative Development underlines the fact that although this campaign was carried on by the Government, it was started because of insistent popular pressure. It constituted an integral part, from the beginning of the Civil Defence Plan and the expenses it involved were defrayed by the Civil Defence Commissioner. The same administration, when it was put in charge of the importation of foodstuffs, has made every effort to furnish their due share to the consumers co-operatives. Later on the authority responsible for textiles has taken the same attitude. Furthermore, in order to avoid that certain particularly scarce goods, such as condensed milk, should get into the black market, their distribution was reserved to the consumers' co-operatives.

In two years, the consumers co-operatives were able to furnish foodstuffs and clothing to more than half of the island's population (to almost two-thirds to-day). At the end of the business year 1944-1945, their turnover amounted to Rs. 11,93,17,000 Rs. (37,00,000 in 1942-1943; Rs. 4,46,80,000 in 1943-1944).

From the end of 1943 on, the consumers' co-operatives combined into regional wholesale stores. But until the end of 1944 these wholesale stores functioned only as propaganda organs. At the end of April 1945 they numbered 75, of which 45 had begun their economic activity, realising in five months business transactions of nearly Rs. 8 million. A "Co-operative Wholesale Establishment", created in 1943, is administered by the Department of Co-operative Development; it is intended to turn it over as soon as possible to the whole of the consumers' co-operatives.

Miscellaneous Co-operatives.

Among miscellaneous co-operatives mention should be made of 58 school co-operatives, a co-operative hospital, 4 transport co-operatives, several labour co-operatives, several "Better Living Societies", etc.

It is interesting to observe also the role of the women in the co-operative movement of Ceylon. In 101 co-operatives (of which 59 were savings societies) the members are exclusively women. The consumers' co-operatives comprise among their members a satisfactory number of women and certain among them were or are presided over by women.

The Official Co-operative Services.

The services of the Registrar of Co-operative Societies developed during the period under consideration. However it was necessary to lighten their load because of the growth of the co-operative movement. In March 1945, the department of Co-operative Development was formed. While the services of the Registrar of Co-operative Societies keep their normal tasks of supervision and of revision, the new department is concerned with the planning and general guidance of the movement; it has also to deal with exceptional tasks which may arise; this department, for example, manages temporarily the co-operative wholesale establishment.

The department includes now an important education and propaganda branch. The tasks of this branch are the systematic training of inspectors of the department, of co-operative managers and administrators, the organisation of courses for the officials of other departments and for the public, the conducting of examinations; this branch is also the central propaganda organ. A school has now been established to carry out the education programme of the department.

The Federative Organs.

The services of the Registrar of Co-operative Societies and of the Department of Co-operative Development play efficiently the role which a well-organised and well-managed federation would play. On the other hand, however, the co-operatives themselves conduct their own movement for federation. The federations are of two kinds, some regional, others functional (federations of credit co-operatives, a federation of coconut marketing co-operatives, etc.). The organisational plan foresees the grouping of all the federations of the same province, whatever their object, in a provincial co-operative federation which is able to represent the common interest and to carry out the common policy of all the co-operatives of the province. The provincial federations will, in turn, form the elements of the Co-operative Federations of Ceylon, the establishment of which is under consideration. —(Co-operative Information—International Labour Office).

Co-operation in Madras

CO-OPERATIVE SOCIETIES

The year 1944-45 was one of all-round progress and Co-operative Societies increased in number, membership, business and working capital. On 30th June 1945 there were 15,724 (15,540) societies with a membership of 17.43 (16.23) lakhs and during the year they issued loans amounting to Rs. 2,432 (2,027) lakhs with a working capital of Rs. 3,416 (3,068) lakhs. The arrears of overdues were lowest in the last 20 years. The non-credit societies recorded a remarkable increase. Great strides were made particularly in consumers' co-operation, urban milk supply, the handloom industry and the marketing of fruit.

CREDIT STRUCTURE—PRIMARY BANKS

Agricultural Credit Societies

The war had a beneficial effect on the agricultural prices and members of the agricultural credit societies found it possible to repay their loans. The percentage of balance to demand which stood at 61.1 in 1938-39 fell to 32.3 on 30th June 1945, the lowest on record for about two decades. The war years were marked on the one hand by a steady increase in the loans issued and on the other by a decline in the amount of loans outstanding. The following table illustrates the position :—

	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45
	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.
Loans issued ...	147.29	144.72	175.77	167.18	167.16	189.67
Loans outstanding on 30th June ...	354.15	330.94	324.68	278.08	260.76	272.58

The annual average amount of loans issued by village credit societies during the six-year war period ending 30th June 1945 was Rs. 165.80 lakhs, while the annual repayments during the same period averaged Rs. 175.07 lakhs. During the quinquennium ending 30th June 1939, however, the corresponding figures were Rs. 109.28 lakhs and Rs. 105.52 lakhs respectively. These features point to the comparative absence of demand for money on the part of the agriculturists, many of whom were evidently able to finance their agricultural operations from their own resources. It is however interesting to note that there was a perceptible increase in the amount of loans issued to members of the societies for agricultural operations, a circumstance which presumably points to the fact that such of these members as required financial accommodation from their societies needed greater credit to meet their increased cultivation expenses. The percentage of loans for cultivation expenses to the total loans issued was 14.45 in 1935-36 and it steadily increased to 34.88 in 1943-44 and 39.54 in 1944-45. Another feature was the progressive rise in deposits held by the village credit societies—Rs. 23.87 lakhs in 1940-41, 39.46 lakhs in 1943-44 and 43.08 lakhs in 1944-45.

It may be quite reasonable to infer that in view of the high level of agricultural prices some of the agriculturists were able to save a little more than usual. The increased financial stability of the primary agricultural credit societies was reflected in the high percentage of owned capital to that of the working capital. On 30th June 1945 the owned capital (share capital plus reserves) stood at 42 per cent of their working capital as against 32.7 per cent on 30th June 1939. The members' share capital and deposits amounted to 35 per cent of the loans outstanding compared to 17.5 per cent on 30th June 1939. These features are encouraging signs of the development of these societies in the right direction. Several rural credit societies undertook the distribution of essential commodities as a temporary measure.

There were 10,792 (10,821) agricultural credit societies at the end of the year with a membership of 637,036 (628,023). The total working capital increased to Rs. 406.89 (394.03) lakhs and the net profit to Rs. 5.95 (5.87) lakhs. The deposits from members were Rs. 15.48 (14.02) lakhs and those from non-members 27.61 (25.44) lakhs. Although there was a slight fall in the number of such societies as on 30th June 1945 the increase in membership, deposits and working capital is significant. Out of Rs. 189.67 lakhs of loans issued, Rs. 174.45 lakhs or 92 per cent were for productive purposes such as cultivation expenses, purchase of cattle, improvement of land, etc., and Rs. 12.71 lakhs for discharging prior debts. The loans issued for non-productive purposes such as marriages, ceremonies, etc., amounted to Rs. 2.51 lakhs. The recovery of loans was very satisfactory during the year and the percentage of arrears, principal and interest, steadily decreased.

Primary Land Mortgage Banks

There were 119 (119) primary land mortgage banks with a membership of 83,684 (73,391). The paid-up share capital of these banks slightly increased to Rs. 18.93 (18.66) lakhs. Compared to 1943-44, loans issued to members increased and those repaid decreased considerably. The war time features of the agricultural credit societies were also observable in the case of primary land mortgage banks. This will be clear from the following table :—

	1939-40.	1940-41.	1941-42.	1942-43.	1943-44.	1944-45.
	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.
Loans issued ...	42.56	42.16	40.40	24.81	18.30	24.81
Loans outstanding ...	222.08	246.89	263.78	250.59	230.30	228.90
Advance payments ...	4.68	7.26	13.01	25.39	22.61	14.70
Percentage of balance to demand ...	13.04	10.80	8.81	5.37	3.46	3.06

The agriculturists taking full advantage of the rise in agricultural prices and in land values had repaid their loans in advance.

CENTRAL AND APEX BANKS

Central Land Mortgage Banks

There was a further fall in the business of the Madras Co-operative Central Land Mortgage Bank as shown by the figures given below :—

	1944-45. Rs. in lakhs.	1943-44. Rs. in lakhs.	1942-43. Rs. in lakhs.
Loans issued ...	24.78	18.26	23.76
Loans repaid ...	26.08	35.33	37.85
Amount of loans outstanding on the last day of the year.	226.27	227.57	244.65
Advance repayments ...	14.73	25.31	24.44

The Government have guaranteed repayment of principal and interest on debentures floated by the bank to the extent of Rs. 350 lakhs. Actually at the end of the year 1944-45 the debentures in circulation aggregated to Rs. 302.13 lakhs and the working capital was Rs. 344.99 lakhs. The reserve fund of the bank amounted to Rs. 12.23 (7.41) lakhs and the divisible profit made increased considerably from Rs. 1.06 to Rs. 2.84 lakhs.

The Madras Provincial Co-operative Bank

The total deposits of the bank on 30th June 1945 were Rs. 280.32 (272.27) lakhs showing an increase of Rs. 8.05 lakhs. The loan transactions during the past three years are shown below ;—

	1944-45. Rs. in lakhs.	1943-44. Rs. in lakhs.	1942-43. Rs. in lakhs.
Loans issued to societies ...	14.21	42.43	6.19
Loans issued to Central Banks	148.04	119.30	49.85
Total ...	162.25	161.73	56.04
Loans outstanding on 30th June 1945 ...	80.42	65.62	32.67

The Provincial Bank worked at a net profit of Rs. 2.42 (2.15) lakhs. The drop in loans issued to societies was due to the transfer of direct loans made in the previous year by the Provincial Bank to the respective Central Banks. The bank generously granted a subsidy of Rs. 22,000 to the Central Banks for consolidation of and promotion of societies a subsidy of Rs. 11,985 for expenditure incurred in supervision of non-credit societies and a sum of Rs. 5,000 for development of cottage industries. Cash resources of the bank were held as follows :—

	Rupces in lakhs.	Percentage to total deposits.
Cash on hand and in banks ...	25.58	9.12
Investment in Government paper ...	170.93	60.98
Loans and Advances ...	75.29	26.86
Debentures of Central Land Mortgage Bank.	26.02	...

The investment of funds was in conformity with the standard set by the Reserve Bank of India.

Central Banks

As in the previous year there were 80 Central Banks. Their borrowed capital rose to Rs. 717.20 (626.96) lakhs and their working capital to Rs. 850.88 (750.54) lakhs. The steady expansion of the loan business of the Central Banks is evident from the following particulars:—

	1944-45.	1943-44.	1942-43
Loans issued	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.
Short term	1,589.99	1,118.72	662.68
Medium and long term	44.75	32.29	43.03
Total	1,634.74	1,151.01	705.71

The recovery of overdues was remarkable and the percentage of balance to demand of the principal decreased to 6.99 (13.88), of arrears to 45.82 (61.62) and of current dues to 0.70 (1.53). All the Central Banks worked at a profit during the year, the total profit earned being Rs. 6.27 (5.04) lakhs. This is particularly noteworthy as increased profits were earned notwithstanding the increased cost of their management which rose from Rs. 10.42 lakhs to Rs. 11.45 lakhs. The bad and doubtful debts amounted to Rs. 26.13 (29.59) lakhs but against this the banks had created bad and doubtful debts reserves of Rs. 16.65 lakhs and the total reserves amounted to Rs. 57.33 lakhs.

War-time features of the primary credit unit naturally affected their creditor banks. So far as the Central Banks were concerned, they maintained uniform progress both in respect of their loan transactions and working capital. The shrinkage of their loan business with rural credit societies was more than made up by the rapid growth of other forms of co-operative enterprise. In spite of the increased business, the Central Banks kept their loans and advances within the standards set by the Reserve Bank of India. Another welcome feature in the working of the Central Banks was a remarkable and progressive fall in the amount of overdues both under principal and current interest. The Central Banks weathered the war period and emerged sounder and stronger than ever.

URBAN CREDIT.

Urban credit societies were composed of urban banks and employees' societies. The loans made by these societies during 1944-45 amounted to Rs. 867.48 lakhs as against Rs. 298.33 lakhs in 1938-39. The total amount of deposit also sharply increased to Rs. 862.57 lakhs. The percentage of overdues in urban credit societies on 30th June 1939 was 19.66 and steadily declined to 11.19 on 30th June 1945. The urban credit societies played a really useful part in the economic life of the urban community.

PRODUCERS' CO-OPERATIVE SOCIETIES.

Sales Societies and Marketing Federations

There were 181 (181) co-operative sales or marketing societies and their business during the past three years is shown below :

	1944-45.	1943-44.	1942-43.
Number of societies	181	181	172
Number of members	90,880	76,641	61,118
	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.
Paid-up share capital	10.41	8.71	6.58
Loans issued during the year	121.32	139.18	196.76
Value of stock held	359.66	412.91	477.16
Value of stock released without sale	178.19	191.32	186.58
Value of stock sold	100.62	91.35	211.15

Such societies in a steadily increasing measure undertook processing activities as they rightly realised that mere storage and sale of produce as such without being linked with processing, will not yield the maximum benefits to the producer. The principal processing activities undertaken were hulling of paddy into rice, ginning of cotton, decortication of groundnut and conversion of grams into dhals. The South Kanara Agriculturists' Co-operative Wholesale Society continued to do good work and marketed areca, pepper, chillies and other produce to the value of Rs. 20.53 (12.90) lakhs. The Nilgiris Co-operative Marketing Societies sold potatoes on behalf of its members to the value of Rs. 13.66 lakhs. This society was able to bring an additional area of 1,866 acres under potato cultivation through the sale of potato manure worth Rs. 2.30 lakhs to its members. The Madras Provincial Co-operative Marketing Society carried out sale business to the extent of Rs. 18.23 lakhs. It continued to supply coffee, tea, matches, etc., to the various District Wholesale Stores.

The Government continued to provide funds for construction of godowns by the sales societies and a sum of Rs. 5,750 was granted for this purpose to the societies at Harpanahalli (Bellary district) and Madura.

The sales societies at Adoni, Bellary, Guntakal, Tiruppur, Tiruchengode, Salem, Rasipuram, Aruppukkottai and Koilpatti worked special cotton seed multiplication schemes. The Government of India sanctioned subsidies to encourage sale of compost manure and ten societies undertook the business and distributed 392,666 cubic feet of compost and claimed a subsidy of Rs. 5,890. The controlled credit scheme operated in 20 districts through 67 sales societies and 487 village credit societies who issued loans amounting to Rs. 6.03 lakhs. The value of agricultural produce delivered to and sold through these sales societies was Rs. 9.95 lakhs. A special scheme for better marketing of agricultural produce introduced in Ceded Districts was worked through eight sales societies and 133 credit societies and they advanced loans to the extent of Rs. 92,599.

During the war period there was a steady increase in the membership and paid-up share capital of these societies. Their services in the direction of sale and distribution of ordinary manure, compost, seeds, agricultural implements, cart-tyres and also in the processing of agricultural produce were commendable. Services of such societies in the surplus districts were in a large measure utilized by the consumers' societies for the purchase of food-grains and other essential commodities.

Sugarcane Growers' Co-operative Societies.

There were 12 co-operative societies and 5 unions of the sugarcane growers. They also helped the sugar factories to get adequate supply of cane. The Coimbatore Sugar Manufacturing Society owns a sugar factory which produced 9,298 cwts. of sugar.

Fruit Growers' Societies

There were 19 fruit-growers' co-operative societies at the close of the year. The Kodur Fruit Growers' Society, the biggest in this class, had a capital of Rs. 48,918 and established its own sales depots at various places. During the year it sold fruits to the extent of Rs. 39.82 lakhs as against Rs. 4.83 lakhs during the previous year. This society took the services of a Deputy Registrar as its Business Manager.

Cottage Industries' Societies

There were 210 cottage industries' societies with a membership of 11,039. They produced goods valued at Rs. 3.49 lakhs and sold them to the extent of Rs. 3.43 lakhs. The most prominent societies in this class were 77 jaggery production and sale societies, 10 bee-keeping and sale societies and 7 leather goods societies. A scheme for the development of coir industries was started in Malabar where 2 coir workers' societies were organized with a free grant of Rs. 3,434 from the Government.

Dairying and Cattle Breeding

There were 19 (18) co-operative milk-supply unions and 191 (159) co-operative milk-supply societies. Their transactions in the past three years are exhibited below :—

Year	Milk supply societies, value of milk sold.	Milk supply unions, value of milk handled.	
		Purchases.	Sales.
	Rs. in lakhs.	Rs. in lakhs.	Rs. in lakhs.
1944-45	20.08	27.59	32.69
1943-44	22.53	11.20	12.24
1942-42	8.36	7.51	8.64

The Madras Co-operative Milk-supply Union maintained its progress and the Government agreed to provide it with 3 lorries for transport of milk. In Madras this union supplied the entire quantity of milk required by all the State hospitals in the City. The Unions at Madras and Coimbatore successfully continued to supply the entire requirements of milk to the

military in their respective areas. The Unions played a most notable part in the supply of milk to military, hospitals and the civilian population.

Government sanctioned an allotment for making loans to such societies to purchase milch cows and motor vehicles and loans to the extent of Rs. 45,950 and Rs. 23,000, respectively, were disbursed. A scheme for salvage of dry cows was organized by the Madras Co-operative Society. One hundred and eighty-five owners were admitted as members and 153 dry animals were sent to the Kambakkam 'kancha' in Chingleput district. Three new cattle-breeding societies were registered during the year making a total of 14.

CONSUMERS' CO-OPERATIVE STORES

Retail Co-operative Stores

The most outstanding contribution of the co-operative movement towards the furtherance of the war effort was the social service rendered by the co-operative stores. They helped to the best of their ability to maintain the "home front." Subject to their limitations, they checked the rise in prices, put down profiteering, and generally ensured a fair distribution of commodities in short supply. They actively co-operated with the authorities in all matters regarding food-supply, and participated in all schemes of equitable distribution of foodgrains and all other essential commodities. The co-operative stores established a name for fair and equitable distribution and proved themselves capable of facing any emergency. The extent to which the retail co-operative stores had, with the help of civil supplies authorities and officers of the Revenue Department, participated in statutory rationing, is clear from the fact that in 74 out of the 84 municipal towns and in the district of Malabar in which statutory rationing was introduced, 231 retail stores were entrusted with the running of ration shops and allotted 749 depots. The number of ration cards registered with the retail stores as on the 30th June 1945 was 2.97 lakhs out of a total of 13.61 lakhs for the Province. Expansion of the consumers' co-operative stores has indeed been phenomenal and the following table shows the development during the last three years :—

	1944-45.	1943-44.	1942-43.
Number of primary stores	1,286	1,191	938
Number of branches and depots	998	692	228
Number of members	4.08 lakhs.	3.43 lakhs.	2.13 lakhs.
	(Rupees in lakhs.)		
Paid up share capital	59.74	43.67	23.85
Reserve Fund	13.61	6.93	3.35
Borrowings outstanding from Central banks	48.23	29.61	11.49
Borrowings outstanding from others	23.43	26.77	25.02
Working capital	145.01	106.98	63.71
Purchases	1,099.24	806.96	315.75
Sales	1,176.86	832.36	298.49
Gross profits	57.77	40.37	21.30
Trading loss	0.42	0.32	0.18

The net capital of all the primary stores was more than 50 per cent of their total working capital which is a sure indication of their financial soundness. They borrowed Rs. 291.96 lakhs from Central Banks and others and repaid Rs. 241.67 lakhs. The purchases and sales in 1944-45 were more than three times what they were in 1942-43. Thirty-five stores worked at neither profit nor loss, 789 worked at a net profit of Rs. 19.67 lakhs and 462 stores incurred a net loss of Rs. 3.72 lakhs. There were 68 mill-workers' co-operative stores and 70 departmental stores which were organized exclusively for the benefit of particular sections of the people. It is worthy of note that a large number of rural stores came into existence during the year and on 30th June 1945 there were 763 rural stores with a membership of 1.45 lakhs. Their purchases and sales also increased considerably to Rs. 303.46 (191.22) lakhs and Rs. 326.85 (196.48) lakhs, respectively. A novel form of co-operative enterprise was started in the field of manufacture and distribution of medicine on a co-operative basis. The Madras Provincial Indian Medical Practitioners' Co-operative Pharmacy and Stores was formed with the object of manufacturing Indian medicines of high quality under expert supervision. The society had 224 members with a paid-up share capital of Rs. 19,080.

District Co-operative Wholesale Stores

Services of the district wholesale stores, by way of wholesale stocking and distribution of foodgrains to authorized dealers were no less important than those of the retail stores. They were freely used in the distribution of controlled commodities and in import and procurement of foodgrains. In the year 1944-45 the wholesale stores stocked 1.83 lakhs of tons of foodgrains and controlled articles valued at Rs. 416.01 lakhs and their sales exceeded 1.71 lakhs of tons valued at Rs. 419.97 lakhs. The import and procurement of foodgrains and millets were 2.92 lakhs of tons valued at Rs. 699.30 lakhs, while the stocks sold were 2.60 lakhs of tons valued at Rs. 608.90 lakhs. The District Wholesale Stores guaranteed the activities of the primary stores affiliated to them besides functioning as central distribution agencies. Progress of the 21 wholesale stores is exhibited in the following statement :—

	1944-45.	1943-44.	1942-43.
Number of members	8,568	6,538	4,841
	(Rupees in lakhs.)		
Paid up share capital	24.66	16.49	7.60
Reserve Fund	3.74	0.54	0.13
Borrowings outstanding from Central Banks	191.62	137.91	52.16
Borrowing outstanding from others	6.79	1.48	0.47
Working capital	226.81	156.42	60.36
Purchases	975.18	554.43	96.36
Sales	963.17	518.83	80.05
Gross profits	42.62	23.60	3.53
Trading loss	Nil.	Rs. 7,176	Nil.

During the year they borrowed Rs. 890.94 lakhs and repaid Rs. 833.75 lakhs. Nineteen wholesale stores earned a net profit of Rs. 11.42 lakhs. The net capital of all the wholesale stores represented about one-eighth of

their total working capital. They were building up strong reserves by carrying over a high percentage of the profits to the Reserve Fund. In the Ceded Districts a special scheme of rice distribution was worked through the four district wholesale stores by which the district quota of rice for these four districts was centralized in the hands of the respective wholesale stores. In the Ceded Districts and nine other districts the wholesale stores undertook procurement of grains and some of them also undertook processing and manufacturing activities. The Godavari Central Stores, Rajahmundry, entered a new line and started manufacture of pith hats and inks.

The phenomenal expansion of the consumers' co-operative societies and the general confidence which they have created show that the co-operative technique of distribution of the necessities of life has been accepted as sound and reliable.

MISCELLANEOUS CO-OPERATIVE SOCIETIES

The progress of the weavers' co-operative stores is shown in the following table :—

	1944-45.	1943-44.	1942-43.
Number of primary weavers' societies	311	263	228
Number of members	51,131	42,438	31,441
Number of working looms	26,936	16,854	23,720
	(Rupees in lakhs.)		
Value of cloth sold	174.44	87.11	95.83

The most outstanding society in this category is the Madras Handloom Weavers' Provincial Co-operative Society, Limited, which had a membership of 618 and a paid-up share capital of Rs. 1.40 lakhs. It supplied yarn worth Rs. 79.51 lakhs to the primary societies and purchased finished goods from them worth Rs. 15.62 (4.52) lakhs. The Provincial Society was running three experimental weaving factories—at Basin Bridge, Cuddalore and Kurnool—with a view to evolve new designs to suit the changing tastes of the people. It has an up-to-date screen printing factory in Madras for printing sarees, chintz, door-curtains, etc., with an advisory committee of ladies to give constructive suggestions as to design and colour. The Provincial Textile Commissioner entrusted the Provincial Weavers' Society with the distribution of artificial silk in seven districts. The various weavers' co-operative societies were given adequate supply of yarn by suitable arrangements with the Provincial Textile Commissioner.

The six cumbly weavers' co-operative societies and the Ellore Pile Carpet Weavers' Co-operative Society organized under the Government of India's subvention scheme showed good progress in their business. A dye-house is attached to the latter to ensure a steady supply of coloured yarn to its members.

There were 28 land colonization societies with a membership of 3,257, of whom 2,666 were active colonists. Out of 10,470 acres of land assigned to societies, 7,893 acres have so far been reclaimed by the members.

Schemes for reclamation of land in the Cauvery-Mettur Project area in Tanjore district were worked through Land Reclamation Co-operative Societies and such societies were formed to aid reclamation by issue of loans.

There are a large number of other miscellaneous co-operative societies and only a few of the important societies are described below. There were 112 co-operative building societies with a membership of 3,892 and a paid-up share capital of Rs. 6.88 lakhs. The progress of these societies was naturally hampered seriously owing to the scarcity of building materials. The twenty-nine women's co-operative societies included cottage industries societies and thrift societies with a total membership of 1,282, and they produced goods valued at Rs. 5,303. There were 2,246 Scheduled Caste societies with a membership of 1.08 lakhs and a paid-up share capital of Rs. 5.84 lakhs. Some of the fishermen's societies on the West Coast obtained leases from the Government for catching fish, while a few others undertook fish-curing. There were 21 labour contract societies with a membership of 2,106, of whom 1,832 were actual workers. The value of work executed during the year and pending execution at the end of the year was Rs. 69,455 and Rs. 49,112, respectively. As in the previous year there were 15 irrigation societies with a membership of 1,741. The area brought under cultivation by them by affording irrigation facilities was 5,060 acres. The sixty-five agricultural improvement societies with 6,200 members, supplied seeds, manure, agricultural implements, etc., to their members to the value of Rs. 1.72 lakhs. The three co-operative insurance societies issued 2,608 (1,439) policies for Rs. 30.12 (18.51) lakhs. The Co-operative Fire and General Insurance Society issued 4,992 policies covering risks to the extent of Rs. 406.42 lakhs. In Ootacamund a co-operative restaurant was started to provide boarding and lodging to its members who number 220. The varied character of these societies is impressive and proves that the co-operative technique has been developed to tackle almost every branch of human activity.

GENERAL

Supervision of the various co-operative societies was in the hands of the Central Banks and the local supervising unions. At the end of the year there were 247 unions to which 8,791 societies were affiliated. The Central Co-operative Institute at Madras and the mufassal institutes at Anantapur, Rajahmundry, Tanjore and Coimbatore continued to give training to departmental Junior Inspectors, Supervisors and others intended for employment in co-operative institutions. During the year 47 training classes were held for panchayatdars of co-operative societies and the Government granted a sum of Rs. 15,800 to meet the cost of the staff employed. The Madras Provincial Co-operative Union published the *Madras Journal of Co-operation* and other co-operative journals in Tamil, Telugu, Kanarese and Malayalam.—*Extract from the "Madras Administration Report, 1944-45, on Co-operative Societies."*

Note:—The figures in brackets are those for the previous year.

Correspondence.

Investigation of prior encumbrances on proposed hypotheca by Land Mortgage Banks.

Land Mortgage Banks and other co-operative societies, which advance loans on the security of immovable property, depend entirely on the encumbrance certificate taken for the last 24 years for an idea of the prior encumbrances on the hypotheca offered. It is usual for such societies to give the description of the properties as found in recent documents of title when applying for encumbrance certificates. The old and new survey numbers are given as in recent documents. But if the new survey number represents a plot lesser in extent than the property represented by the old survey number, and naturally has somewhat different boundaries, the registration authorities give encumbrances of the properties only for the period after the resurvey, i.e., for the last 16 years or so. Encumbrances binding on the old survey number of which the hypotheca formed a part are entirely omitted and important transactions prior to resettlement, still binding on the proposed hypotheca do not find a place at all in the encumbrance certificate.

It may possibly be suggested as a solution of this difficulty that in applying for encumbrance certificate the societies could give the entire resurvey numbers corresponding to the old survey and describe the property as existing before the resurvey. But the encumbrance certificate would then contain so many recent encumbrances totally unrelated to the proposed hypotheca, that the loan applicants would be hard put to it to explain with the aid of documents that many of the encumbrances are not concerned with the property offered as security.

I do not see any reason why the registration authorities could not modify the existing practice so as to include in the encumbrance certificate, encumbrances prior to the resurvey also. As it is, there is no point in taking the encumbrance certificate of properties for period prior to resurvey under circumstances mentioned above. The existing practice at any rate is such as would land the co-operative societies in serious difficulties.

P. G. KUNHIKRISHNAN NAYAR,
Hony. Secretary, Tellicherry Co-operative
Land Mortgage Bank, Ltd.

News and Notes.

The Fourth Madras Provincial Non-official Co-operative Employees' Conference.

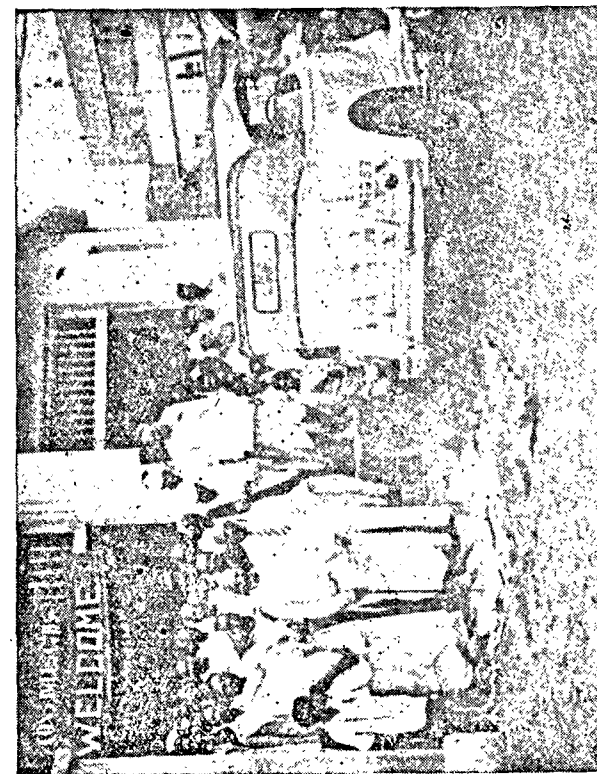
The President of the Madras Provincial Non-official Co-operative Employees' Association writes that the above Conference will be held on the 29th and 30th August 1946 at Vellore, North Arcot district, and that a strong reception committee under the presidentship of Sri N. Somasundara Iyer, Chairman, Vellore Municipality, has been formed. He requests co-operative employees to donate liberally to the Conference, and also to attend the Conference in large numbers. He appeals to the various co-operative institutions to grant leave to the employees as are desirous of attending the Conference. Co-operators, who are desirous to donate to the success of the Conference, he requests to remit the money to Sri A. K. Jagadeeswara Iyer, Secretary, Reception Committee, the Fourth Madras Provincial Non-official Co-operative Conference, Co-operative Central Bank Buildings, Vellore, North Arcot.

The Guntur District Wholesale Co-operative Stores, Ltd.

In a memorandum presented to the Hon'ble Mr. V. V. Giri, Minister for Co-operation, during his visit to the above Wholesales on 13-6-46, the following are some of the representations made in it :—(1) As the Stores require adequate godown accommodation due to huge stock of commodities which are now being imported into the district under the basic plan, and that the powers of the Collector to requisition buildings are withdrawn, the Stores are unable to seek his help in the matter. Hence the Stores request that the Collector may be allowed to exercise the powers of the requisition in case of need. (2) Restoring the original scheme of rice supply to non-rationed areas, being the wholesale stores acting as the sole wholesaler without there being any contact between the miller and the merchant. (3) Restoring the sole agency for wholesale of sugar distribution to the Stores. (4) Necessary safeguards to be provided for the Stores to cover the possible risks in the stocking and distributing the pulses and other commodities and held by the Stores on Government account under the basic supply plan.

The Coimbatore District Weavers' Co-operative Societies Conference.

The above Conference was held at Chennimalai on 24-6-46 under the presidentship of Mr. A. Singararaju Pillai, B.A., Deputy Registrar of Co-operative Societies, Coimbatore. Mr. M. P. Natchimuthu Mudaliar, B.A., B.L., President of the Chennimalai Weavers' Co-operative Society, welcomed the delegates. Rao Sahib Sri A. D. Balasundara Mudaliar, the Business Manager of the Madras Provincial Handloom Weavers' Co-operative Society, Ltd., and the Special Deputy Registrar for Weavers' Societies, explained the yarn position and the steps to be taken to establish a steady market for the handloom goods in the post-war era. The



VISIT OF THE HON. MR. V. V. GIRI TO THE GUNTUR WHOLESALE STORES.

Deputy Registrar, Coimbatore, spoke about the working of the weavers' co-operative societies in the district, the need to have qualified and competent staff in the societies, and the necessity for a central godown to market the entire finished goods produced by the societies in the district. Resolutions regarding opening of a central godown in the Coimbatore district, undertaking the marketing of the entire production in the weavers' societies, provincialising the services of the paid employees of the societies, and opening of a dye factory in the Coimbatore district were passed. With a vote of thanks by the Secretary of the Chennimalai Weavers' Co-operative Society the Conference came to a conclusion.

Grow More Food Campaign—Vital Requirements for Success.

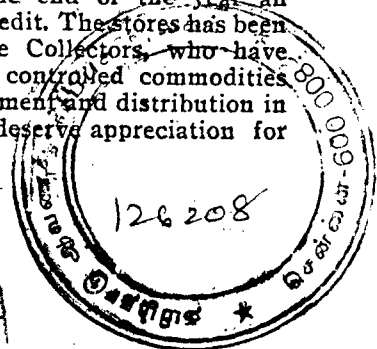
In a short note the President of the Peelamedu Co-operative Land Mortgage Bank points out that in these days when the cost of labour and bullocks is very high, it is neither possible nor profitable for the agriculturist to bale out water from the well with the help of bullocks and picotahs. The only easy and profitable way of irrigating the land is with the help of pump sets and for this galvanized pipes are essential. The Government are taking steps by making generous grants to agriculturists for sinking wells and for repairing old ones. Land Mortgage Banks are also issuing loans to agriculturists for the same. Many thousands of wells have been sunk. The Electricity Department is also giving power connections to agriculturists more speedily and without delays as in the past. Electric motors and pumps are also available. But the great handicap is want of galvanized pipes required for pumping water. Hence he points out that it is the duty of the Government to provide all facilities to the people to combat the present famine and appeals to them to bestow their immediate attention upon securing adequate supply of galvanized pipes and their accessories to the agriculturists and thus enable them to grow more food.

Working of Pudukalayam Co-operative Stores (South Arcot) 1944-45.

The progress recorded by the stores during the year 1944-45 is remarkable. The number of members rose from 432 at the beginning of the year to 457 at the end of the year. The share capital of the members amounted to Rs. 4,713 against Rs. 2,909 at the beginning of the year. Though the stores has been in existence for the past 33 years the position in respect of share capital cannot be said to be very satisfactory. While the minimum prescribed for all urban stores is Rs. 10,000 the stores has so far collected only Rs. 4,713. The value of stock at the beginning of the year was Rs. 27,819, stock to the value of Rs. 3,07,089 bought during the year less purchase returns, etc. The total sales excluding sales returned, etc. amounted to Rs. 3,35,357. The value of stock at the end of the year was Rs. 22,404. The financial position of the stores is in a sound and stable condition. The business was carried on with its own funds and the total working capital of the stores at the end of the year was Rs. 25,581. During the year the stores earned a net profit of Rs. 8,214 as against Rs. 2,808 last year. There was at the end of the year an amount of Rs. 17,274 under reserve fund to its credit. The stores has been able to merit the recognition of the successive Collectors, who have helped it through liberal allotment of quotas of controlled commodities and a substantial portion of the work of procurement and distribution in the locality. The Board of Directors of Stores deserve appreciation for running the same efficiently.



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AND

The Madras Land Mortgage Banks Act
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(As modified upto June 1946)

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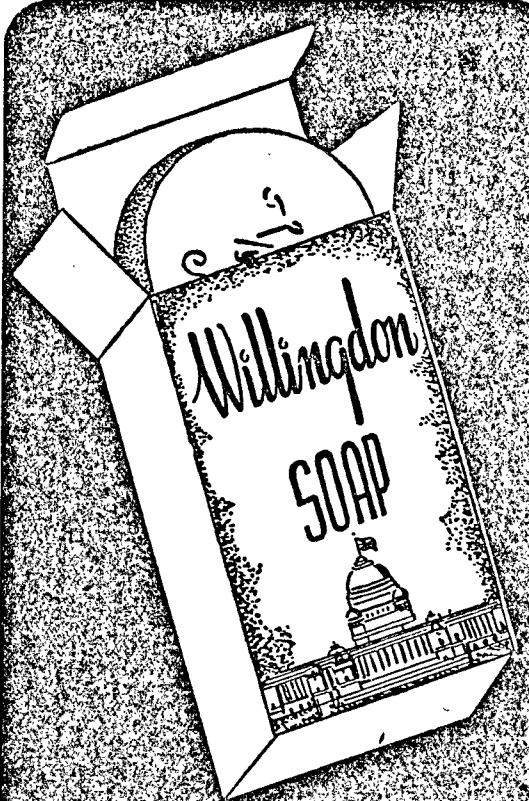
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