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Editorial Notes.

Ourselves.

With this number the *Madras Journal of Co-operation* enters on its thirty-third year. The period that has elapsed since its inception has seen great changes in the Movement. The Co-operative Societies Acts have undergone radical alterations and certain aspects of the Movement have received added emphasis. However much we may regret for the circumstances which necessitate schemes for rehabilitation and reconstruction, any unprejudiced observer cannot fail to be struck by the growing allegiance to co-operative principles and practices. Such shortcomings as have been noticed demanding radical remedies are inevitable when the whole life of the world is subject to ever-changing and varying influences. India also has been vitally affected by these influences. That is as it should be as otherwise it would have meant stagnation which in any sphere would be damnation. Even stabilisation without any process of change would have lead to paralyzation. So we shall be pardoned if we venture to assert that in spite of all that has happened and is happening, we are on the move and it behoves us all to see that it is in the right direction. Even if we occasionally swerve from the path it should be our endeavour to get back to the correct line. There is no royal road to progress and our Movement is no exception. Difficulties and dangers have to be overcome; they may sometimes try the stoutest hearts among us. But unflinching and steadfast devotion to the cause and persistent efforts are sure to lead to the goal.

We are thankful for the support we have received from various quarters especially to the Registrar and his assistants. If we have to realise our hopes and aspirations and make the *Journal* fulfil its purpose, we need a larger measure of support. We have no doubt it will be forthcoming and we will be enabled to improve its quality by introducing new and interesting features.

We need offer no apology to our readers and supporters for the change in the quality of the paper used. Newsprint of good kind it is difficult to obtain even if we are prepared to pay daily increasing prices. We are forced to adjust ourselves to the exigencies of supply. We beseech their indulgence and trust they will find that neither in quality nor in quantity the *Journal* will suffer owing to the changes introduced compelled by the circumstances created by the War.

Plight of Cottage Industries.

Our readers may remember we have more than once pleaded in our pages for sufficient encouragement to cottage industries both by the public and the Government and as one of the necessary steps we have implored the Government to give preference at least to the finished products of the Industrial Co-operatives in making purchases for their requirements. We are greatly obliged to the Registrar of Co-operative Societies for supplying us with two Government Orders dealing with handloom products which we have reproduced elsewhere in this issue. We recognise that the orders of Government giving preference to handloom products of weavers' societies next in importance to those produced in jails are fairly satisfactory. But we are anxious to know how far the Heads of Departments have complied with these orders. Unless tangible proofs are available we are compelled by circumstances to state that these orders have received very scant attention. The Government will do well not only to impress on the Heads of Departments their duty to carry out their orders but also obtain periodical returns to watch how far their intentions are being honoured by their own officers.

Then again war has created more or less an assured market for many of the products of cottage industries. It is gratifying to learn the Co-operative Department of the United Provinces has taken full advantage of the favourable situation and has harnessed the production in Industrial Co-operatives to meet some of the demands of the Supply Department. Time and again we have mentioned these facts either in our Editorial comments or in the section ' News and Notes.' News just to hand states that the largest quota in the supply of handloom blankets for army purposes has gone to the United Provinces which will supply two and a half lakhs of blankets before

September this year and that the Government of the United Provinces finding it more expedient and with a view to help the poor villager has placed a great deal of these orders with the co-operative societies. While other provinces and Indian States share the Supply Department's orders, we regret to note, from such information as is available to us, that Madras does not come into the picture at all. We do not know if the Government of Madras have ascertained from the Departments concerned what our defects in organisation and production are and if they are remediable.

In this connection we wish to bring to the notice of our readers and to Government, a fact which is already known to them, that a firm in Madras through their Bombay Office has obtained contract from the Supply Department for the supply of ordinary cotton goods which are easily manufactured and supplied by our weavers' societies. The Madras Provincial Handloom Weavers' Society do not seem to have received even enquiries for these goods though it has registered itself in proper quarters as a supplier and that too when it is well-known that Madras can produce such goods in any quantity. Therefore, is it any wonder that with the difficulties experienced in securing dye-stuffs and the sudden and unprecedented rise in the price of yarn and with no orders even from the Supply Department, most of the weavers are passing through very hard times? This is a case of starvation in the midst of plenty and the system of production and distribution ill-suited to the changing times are naturally blamed for this sad plight. When the Fact Finding Committee will report and whether the facts disclosed and the remedies suggested on their basis will prove efficacious, no one can foretell. All we are anxious is that while investigations are being conducted, something should be done immediately to relieve the untold suffering caused to weavers. The Madras Provincial Handloom Weavers' Society should take up this question in earnest and find some remedies. Action by the State, especially in these times of stress and strain, is urgently called for.

Propaganda in Agriculture.

In reviewing the administration report of the Department of Agriculture, His Excellency the Governor is pleased to observe " efforts must be made to keep the demonstration and propaganda work more in pace with research." His Excellency also trusts that with the reorganisation of the Department of Agriculture just given effect to (the order dealing with it we have published elsewhere) "the results of the various researches will be put across to the ryot in a more effective manner and that the help of the department to the ryot will take a far more practical shape than appears to have been the case in the past." We respectfully endorse His Excellency's observations. The Department of Agriculture has been straining itself to be of assistance to the ryots and if, as it is complained, the results of various researches have not all reached the ryot and helped him to improve his lot, we are aware it is largely due to lack of facilities—especially in regard to personnel. Now these facilities have been generously provided by Government, we hope for more satisfactory results. In this connection may we invite our readers to the extract from the Report of the Minister of Agriculture for the Dominion of Canada in the issue of the *Journal* for June dealing with the Press and Publicity Section. Development of radio and lantern slide services are some of the notable developments. Now that a Deputy Director exclusively for directing propaganda has been appointed, we have no doubt there is every prospect of increased propaganda activity in the near future. Even in regard to propaganda, as in other matters, co-ordination of the activities of the various Development Departments whose work has an important bearing on rural life is possible if frequent meetings of the heads of Departments and their officers in the districts take place and arrangements for joint and co-operative activity in regard to meetings, exhibitions etc., are planned in advance and carried out.

Believing as the United States do that, to use the words of the Year Book of Agriculture, 1940, 'to build an economic democracy that will match our political democracy, our people must have the facts' the United States Department of Agriculture publishes a Year Book. Each year the book deals with some agricultural topic. The Year Books for 1936 and 1937, both entitled "Better Plants and Animals" told what scientists are doing to create improved forms of life for human use. "Soils and Men" (1938) told what is being discovered about soils and what these findings mean in human terms. "Food and life" (1939) was a record of explorations in human and animal nutrition. "Farmers in a Changing World" of 1940 records explorations along the social and economic frontiers of agriculture. It is desirable our Department of Agriculture also publishes a Year Book of that kind bringing together the recent developments. It can as well take the place of the uninteresting administrative reports of various sections of the Department which hardly interest the public. We commend this suggestion for the consideration of the

Government and especially of the Director of Agriculture whose experience in various special Departments elsewhere must surely convince him the utility of such popular accounts. A summary of these developments should be incorporated in the *Village Calendar* published in various languages of the Presidency.

Whither and Why.

Rehabilitation appears to be the only word looming prominently in the minds of co-operators. Reconstruction is another word which some have chosen to adopt for the same process. Our readers are aware that proposals for the rehabilitation of the Movement in Bihar, Orissa and the Central Provinces have been announced and the investing public is eagerly awaiting the results of the steps taken to 'rehabilitate' the Movement. Co-operators who have watched with some concern the developments in these provinces wish well for those engaged in this arduous task. Bengal too is engaged in the work of 'reconstruction.' News comes that the latest departmental review on the working of co-operative societies in Assam finds the Movement in 'a state of utter ruin' and that she too needs a "comprehensive scheme of rehabilitation, reconstruction and revitalisation." It looks as though the disease that has overtaken the Movement is spreading and is becoming infectious and very soon other provinces as well may fall victims to its rapacity, if left unchecked. Something is certainly rotten in the State of Co-operation. A kind of fear has seized the minds of the public and even departmental reviews giving a correct account of the state of the Movement are now read and accepted with great caution. Everywhere it is the same story of unwise and unproductive loans, mounting overdues, *benami* transactions, lack of adequate control over the managements and above all utter ignorance of co-operative ideals and ideas. As for a long time the Movement was run under official auspices, the Department is considered to be the blundering machine responsible for the existing evils. As we have said more than once, no purpose is served by apportioning the blame for the present state of affairs. It is the part of wisdom to face facts as they are, study the causes and apply remedies, taking steps to prevent the recurrence of evils complained of. We should ask ourselves the question, 'what is wrong with us?' and find an answer. Can we honestly say that we are not fit for co-operative effort? Are we so individualistic in temperament as not to rise above the feeling 'Each for each'? A thorough examination of our co-operative institutions with a view to remove the evils which beset them is absolutely necessary before we too find ourselves in 'a state of utter ruin.' Will the co-operators rise equal to the occasion? Knowing as we do our co-operators in this province, we have no doubt they will not shrink from this task, however unpleasant it may be. Let us not also forget the well-known adage, 'Heaven helps those who help themselves' and Departments can after all assist but cannot alter our ingrained habits which stand in the way of the progress of the Movement. Co-operation is a way of life and it is for us to live it from day to day without expecting somebody to exercise supervisory functions and serve as a watch dog.

Stores and the Working Classes

In our last issue we had occasion to stress the importance of the spread of consumers' co-operation among the working classes. While the organisation of separate stores for the employees in large industrial establishments is a step in that direction, especially after the experience gained in working such stores in this Presidency, we are aware this may not be always possible where small numbers are employed in many scattered establishments. Still the needs of these workers also have to be satisfied as in most cases they are greater and deserving of more attention. The Department of Co-operation in Madras has suggested the enrolment in ordinary co-operative stores of what are called B class members whose membership, secured by payment of nominal share capital, enables them to enjoy all the advantages accruing from it in regard to purchases. We are surprised to learn that this scheme does not appeal to the Triplicane Urban Co-operative Society, a premier consumers' co-operative in the presidency. While we do not in the least minimise the difficulties which the creation of B class membership causes, we may venture to state they are not insuperable. On a further examination of the objections raised, one cannot help feeling that if the T.U.C.S. makes up its mind it can adjust its activities to suit even the needs of the working classes. Even the worst opponent of the Registrar's scheme will and must concede that the dividing line between the middle classes and the poorer sections of the community is undefinable and practically non-existent and its perpetuation does not do credit to any organisation much less to a co-operative. Moreover, retention of such class distinctions, a concomitant of the capitalistic system, which retard the widening of the scope of co-operative activities, can only contribute to class war and in the Co-operative Movement there is no room for distinctions based either on class, creed or community. To embrace within its scope the working classes also, the T.U.C.S. can reduce the value of its share to secure to everyone the privileges of membership and thereby refuse to create an inferior class of members which, it feels, rightly offends co-operative principles. This extension will increase membership and ultimately the share capital as well. That the quality of goods consumed by the working classes is inferior and so the T.U.C.S. will be obliged to store goods of more than one quality are not arguments which should be seriously urged by a co-operative business concern. Do not non-co-operative stores and shops try to cater successfully to the needs of all classes by storing practically all kinds and varieties of goods? Therefore, we hope the T.U.C.S. will revise its decision and agree to the creation of B class membership and provide scope for the working classes also to derive the benefits of consumers' co-operation.

Another topic to which we wish to draw the pointed attention of the T.U.C.S. is the need for making efforts to increase its membership. It is felt the growth in membership has not kept pace with the increase in the City's population. Moreover, there are still many localities in the City where branches of the Society will prove a boon even to the middle classes in the community. Incidentally they may also serve the needs of at least such of the members of the working classes who can satisfy the qualifications for the T.U.C.S. membership, and these are bound to grow in number when the value of the share is further reduced. If the T.U.C.S. is slow to move in the matter and new co-operative stores are formed, the Department should not hesitate to register them on the plea that such registration would 'result in overlapping in retail distribution.' They should not be scared away or moved by the cry of 'Pakistan in Co-operation' as such a cry will not be justified at all.

Charge of Unfair Competition.

Our attention has been drawn to an article in the February issue of the T.U.C.S. Bulletin under the caption "Our Competitors." Anxious as we are that all co-operative institutions should conduct their business without competitive spirit which endanger their development, we endeavoured to ascertain facts from the Provincial Marketing Society. In reply our attention has been drawn to a letter of the President of the Marketing Society published in our issue of July 1939, in which charges similar to those now made, have been answered. We feel no purpose is served by repeating allegations time and again instead of approaching the issues involved in a spirit of accommodation and settling them actuated by a spirit of give and take. Even the worst critic of the Marketing Society will concede that it is its primary duty to find sales for the products of its affiliated bodies. In theory that Society stands for producers while the T.U,C.S. represents consumers. We have more than once pointed out that the interests of producers and consumers need not necessarily be antagonistic especially in the Co-operative Movement and that if genuine efforts are made they can be reconciled and the organisations representing one section can easily combine with those of the other section. There is no absolute compartmentalism dividing the two groups. Producers of one commodity are consumers of other commodities and *vice-versa*. As long ago as July 1939, Sri T. A. Ramalingam Chettiar pleaded that the T.U.C.S. should agree to serve as retail sellers of the goods of the society or agree to purchase all the goods of the provincial society. Instead of indulging in criticism it is necessary for the T.U.C.S. to come to an understanding with the Marketing Society and make it unnecessary for that Society to undertake retail selling. It should be enabled to serve more as a *liaison* organisation between the producing and consuming organisations. Such a strong link should be forged between the two kinds of organisations so that sooner or later the need for the existence of a Maketing Society run on the present lines should cease to exist.

New Rule VIII A.

Elsewhere we have reproduced from the *Fort St. George Gazette* the new Rule VIII A. proposed to be enacted by Government. One satisfactory feature of the notification is an explanatory note is attached giving reasons for the proposed amendment. We are grateful to Government for accepting our suggestion in this regard made in the January issue of the *Journal* and we hope this procedure will be followed in respect of all notifications involving changes in Rules framed under the rule-making power vested by the Statute.

We must confess we are not in favour of the proposed Rule. Under the caption 'Intermediate credit' we wrote in April last commending the practice prevailing in some Central Banks which had the approval of the Committee on Co-operation. The proposed amendment imposes restrictions on the periods of loans given by the financing banks and credit societies. As we stated at the time no purpose is served by sticking to orthodox views without suggesting ways and means for providing medium-term credit. The Committee on Co-operation went into this question carefully and felt that the medium-term loans may run normally for five years and in exceptional cases only to seven years and in no case beyond that period. On paper the step now proposed may appear to be 'notable.' But we are constrained to say that restrictions in periods will seriously affect the agricultural economy of the province. Rules proposed and adopted should be consistent with the facts and the needs of the situation. Otherwise they cease to be wholesome. We are convinced that the reasons given for not accepting the view of the Committee on Co-operation are not satisfactory at all.

The Executive Committee of the Provincial Co-operative Union considered this subject and by a majority expressed the view that it is necessary to give short-term loans upto eighteen months and intermediate loans upto five years and that rigorous restriction as to the proportion of the short-term and medium-term loans by means of a rule is unnecessary.

The Central Banks' Conference which met a day later adopted the following resolution :

> This Conference resolves to request the Madras Provincial Co-operative Bank to lend short-term loans repayable from the proceeds of the next harvest or within one year as the case may be, and to lend medium-term loans ordinarily for three years and in exceptional cases for periods of five years. This conference also resolves to request the Government to amend the intended draft amendment published in G. O. 1119 in the *Fort St. George Gazette* dated 8th July accordingly.

The Indian Provincial Co-operative Banks.

A COMPARATIVE STUDY.

By T. R. Nagaraja Rao.

The Madras Provincial Co-operative Bank, Ltd.

The Indian Co-operative Review for Jan.—March, **1941**, publishes accounts of the several Provincial Co-operative Banks in India. Accounts of ten such banks are given, seven of the British Indian Provinces and three of the Indian States. We have eleven British Indian Provinces and eight of them have Provincial Co-operative Banks; those not having them being the United Provinces, the North West Frontier Province and Orissa. This paper is an attempt to study them together (excepting Assam as there is no article about it) from certain common stand points.

2. *The Provincial Bank's Role.*—At the outset, it may be helpful if the role of the Provincial Bank in co-operative finance is set out. The term itself came into vogue with the publication of the Report of the Maclagan's Committee on Co-operation in 1914. Of the eight Banks now working, only 3 existed at the time of the Report *viz.* Madras, Bombay and Central Provinces; the other 5 were started subsequently. Of those that then existed, only one *viz.* Central Provinces, bore the name "Central Provinces & Berar Provincial Co-operation Bank." The other two were called, "The Madras Central Urban Bank" and "The Bombay Central Co-operative Bank." They changed their name subsequently; Madras in 1931, and Bombay in 1924. All the later Banks had the term "Provincial Co-operative Bank" included in their names. The Maclagan Committee envisaged a three-storey Co-operative Banking organization in every province. The hierarchy is to consist of Primary Societies—village & urban, Central Banks and the Provincial Co-operative Bank (otherwise called Apex Bank). The Central Banks are to be Federations of Primary Societies in a District or part thereof; and the Provincial or Apex Banks are to be Federations of Central Banks in a Province. It had the vision of an All-India Co-operative Bank also.

3. The local bank or the primary society is a self-governing co-operative institution with share capital and unlimited liability, if the majority of the members are agriculturists, or limited liability otherwise. Its members must be resident in the area of operations

of the bank. Its business is to receive deposits and to make short and medium term loans to members for the usual objects of agricultural expenditure. In village banks, farmers should be the principal investors as well as the recipients of loans. The credit society is the nucleus of non-credit activities. The Urban Banks grant credit needed by townsmen for productive and useful purposes. Each unit is a "Bank" in miniature.

The District or Central Banks are formed by local banks and societies in a district or (sometimes) in part of a district. They are to mobilize the resources of the investing towns and finance the borrowing wants of the countryside. Their job is primarily that of serving as a balancing centre and of supervising the operations of the local banks, to aid in preserving the soundness of the institutions and to see that the deposits which are the savings of thousands of thrifty people are wisely and safely invested.

The Provincial Bank is a co-operative institution formed by Central Banks to serve their interests. It is a " Co-operative undertaking among Central Banks engaged primarily in the financing of current operations of agriculture and marketing the farm products." It is the link with the money market at the Provincial Headquarters and other financial centres. It accepts deposits from co-operative institutions and the public and grants credits to Central Banks. It also carries on a general banking business like the ordinary bank. In fine it is:

(i) to be the reservoir of funds which could be drawn upon for seasonal and emergency needs;

(ii) to keep money as cheap as possible for local banks financing agricultural operations; and

(iii) to exercise a healthy influence on the Movement by its policies, actions and advice.

The Provincial Bank is really all the Central Banks acting together in co-operation.

4. Have the Provincial Banks developed according to the plan? The primary banks and the Central Banks have developed according to plan, though village banks depend almost entirely upon Central Banks for finance; but the constitution and functions of the Provincial Banks are not uniform. They are not *in all cases* Federations of Central Banks, as Provincial Banks are expected to be. Bombay has both primary societies and Central Banks as members and finances both. Sind has no Central Banks at all and finances primary societies

direct. The Punjab, Bihar and the Central Provinces have both societies and Central Banks as members; but, except in very special cases, finance only Central Banks. Bengal and Madras have Central Banks only as members. There are individual share-holders in every Bank, except in the Punjab and Bengal. Bombay grants advances direct to individual members on the security of gold, silver, agricultural produce or goods. The Central Provinces also does the same and has also " commenced financing traders " and discounting their bills. Madras lends to non-members on the security of their deposits with the Bank and Government Securities and shares of the Reserve Bank and the Imperial Bank. The Punjab lends to individuals on the security of their deposits only.

5. *Dates of Establishment.*—Madras Provincial Bank is the oldest while Sind Bank is the youngest. Madras was started in November, 1905, Bombay in October, 1911, the Central Provinces in April, 1912, Bihar in 1914, Bengal in April 1918, the Punjab in December 1924 and Sind in July 1935. Four of them have celebrated their Silver Jubilee.

6. *Working Capital.*—The main items composing the working capital are exhibited in the following table :—

(In lakhs of Rupees.)

		Share Capital	Reserve & other funds.	Borrowed Capital.	Working Capital.
		1.	2.	3.	4.
1.	Punjab ...	11.45	16.99	116.45	149.50
2.	Bihar ...	5.84	8.37	44.42	89.66
3.	Bengal ...	18.67	36.10	231.60	286.37
4.	Sind ...	8.89	10.45	(no information)	120.00 (about)
5.	Bombay ...	12.99	20.43	185.03	237.37
6.	Central Prov.	5.18	14.37	117.01	136.76
7.	Madras ...	6.65	27.25	228.55	252.43

Arranging them according to the size of the working capital, we have Bengal topping the list.

			Rs.	
1.	Bengal	...	286.37	lakhs.
2.	Madras	...	252.45	,,
3.	Bombay	...	237.37	,,
4.	Punjab	...	149.50	,,
5.	Central Provinces	...	136.76	,,
6.	Sind	...	120.00	,, about
7.	Bihar	...	89.66	,,

It would have been interesting if all had given figures of co-operative funds in the banks. In Bombay, co-operative deposits amount to Rs. 94.46 lakhs, in the Punjab Rs. 71 lakhs and in the Central Provinces Rs 10.02 lakhs.

The total working capital amounts to about Rs. 12¾ crores which is about one-twentieth of that of all the scheduled banks taken together. If we compare it with some of the biggest scheduled banks it is about one-eighths the working capital of the Imperial Bank of India (which is the biggest) and one-third the working capital of the Central Bank of India (the next biggest). It is barely about one and one-fourths of the owned capital (share capital and Reserve Fund) of the Imperial Bank of India. We see how big or how small we are.

If arranged according to owned capital, we have the same order.—

			Rs.
1.	Bengal	...	54.77 lakhs.
2.	Madras	...	33.90 ,,
3.	Bombay	...	33.42 ,,
4.	Punjab	...	28.44 ,,
5.	Central Provinces	...	19.75 ,,
6.	Sind	...	19.34 ,,
7.	Bihar	...	14.21 ,,

The total owned capital is Rs. 203.83 lakhs, the borrowed capital Rs. 10¼ crores and the working capital is Rs. 12¾ crores. The proportion of the owned capital to the working capital is about 16 per cent.

7. All the banks accept the usual kinds of deposits, *viz.* Fixed, Current and Savings. It would have been interesting if information about the rates of interest paid on deposits had been given so that we may compare them with those of the Joint Stock Banks. Only some give them.

8. *Liquidity.*—One of the suggestions of the Reserve Bank of India is that Co-operative Banks must keep in liquid securities 45 to 50 per cent. of the deposits held and loan only the rest. The following table shows the borrowed capital of the Banks, investments in Govt. Promissory Notes and the percentage of the latter to the former. Some of the Banks have other investments in the shape of Fixed Deposits in approved Banks and that is not included as it may not be steady.

(In Lakhs of Rupees.)

			Borrowed Capital.	Investment in G.P. Notes.	Percentage of 2 to 1.
1.	Bengal	...	231.60	77.51	34
2.	Madras	...	228.55	125.63	55
3.	Bombay	...	185.03	81.12	45
4.	Punjab	...	116.45	76.54	65
5.	Central Pro.	...	117.01	59.67	52
6.	Sind	...	...	No information.	
7.	Bihar	...	44.42	No information.	

Almost every Provincial Bank satisfies the most rigid standard of the Reserve Bank of India.

9. When we come to study the borrowers and the loans, the tale assumes a different aspect. It is all overdues, frozen debts and bad bebts. Governments have gone to the aid of some of the Provincial Banks and lent them big sums to keep them going. Bihar, Sind, Bengal, the Punjab, and the Central Provinces have received Government aid or are indebted to the Government. Madras and Bombay alone never sought Government help. The articles in the *Indian Co-operative Review* give a full and frank account of the position and the rehabilitation schemes in operation.

10. Though in theory the Provincial Banks are to supply the short-term self-liquidating loans required for agriculture, in practice, the demand is for long-term loans. Banks have, therefore, attempted several experiments in long-term finance. The original object of the Movement was the relief of agricultural indebtedness and the emphasis has now shifted to short-term loans.

Madras Provincial Bank started by granting loans for 11 years. The loans were nominally repayable in 2 years; there was no demand for the first year. At the end of the second year, if 1/10ths of the loan was repaid, the loan was allowed to run for another year. If at the end of the third year another 1/10th was paid, the loan was extended for one more year and so on up to 10 years. This went on for about 15 or 20 years. After the Townsend Committee's Report, more and more attention is being given to short-term loans. An attempt was made in 1927 to get long-term money. Debenture capital was raised and lent to a few primary land mortgage banks that were organised. With the starting of the Central Land Mortgage Bank, the thing was given up. Those debentures were redeemed in December, 1940.

Bombay started with debenture capital raised with the guarantee of the Secretary of State. The Bank was also used for sometime as an agency for the grant of land improvement loans. After the starting of the Bombay Provincial Co-operative Land Mortgage Bank, the Bank has been negotiating for the transfer of the Land Mortgage Department to the Provincial Land Bank.

Central Provinces Bank is now functioning as a Provincial Land Mortgage Bank also. A separate debenture section has been opened.

The Punjab Bank raised debenture capital and like Madras, has now closed the section.

The Bengal Bank does not wish to finance Land Mortgage Banks.

11. *Administration.*—The Banks are governed by the customary Board of Directors, elected by the share-holders. In five Banks, there are also directors from outside. In the Punjab, the Registrar of Co-operative Societies and the Financial Adviser to the Co-operative Department are ex-officio members of the Board. In Bengal, the Registrar of Co-operative Societies nominates 3 members to the Board. In the Central Provinces, the Registrar of Co-operative Societies and the Financial Secretary to Government are ex-officio members of the Board. In Behar, the Registrar of Co-operative Societies is an ex-officio director. In view of their special difficulties, steps are being taken for "placing the Management under the control of Government." In Sind, the Bank is being managed from April 1938 by a Committee of 9 members nominated by Government. Madras and Bombay alone have no outside directors.

12. *General.*—The articles contain a great deal of interesting information about the origin of the Banks, the vicissitudes passed, the storms weathered, and the rehabilitation programmes. Co-operators are indebted to the *Review* for bringing under one cover in about 100 pages the history and progress of the Provincial Co-operative Banks in India.

I wish to make only one observation. It has been said, "The value of any Credit system depends upon the efficiency of the borrowers". A Co-operative Bank is as good as its members—whether it is a primary bank or financing bank. The Provincial and Central Banks which are to be depositories of the spare funds of the constituent banks and act as balancing centres therefor, have become the main providers of funds. The Maclagan Committee observed, "In

few things is the finance of Co-operation in India so markedly distinguished from that of Western Europe as in the small proportion of deposits held by primary societies." That state of things continues even today. Primary societies have not attracted deposits from the villages; they have not been a kind of Savings Bank for the countryside. They have been more in the nature of distributing agencies for the loans taken from the Central Banks. The task of the financing banks under the circumstances has become onerous indeed. They have not only to find funds for the hundreds of societies affiliated to them, and spread over a wide area, but also supervise the use of credits and the working of societies. Several experiments both in finance and supervision have been tried. Central Banks for small areas and Supervising Unions were started. In the whole of Northern India *i.e.* the Punjab, the United Provinces, Bihar, Bengal and Orissa, we have Central Banks whose area of operations is limited to one or two taluks. They finance as well as supervise societies. In Bombay (old Sind included), the Central Provinces and Madras, the revenue district is generally the area of operations of a Central Bank. Unions were started to aid and supervise societies. Both have not brought about the desired results. The majority of societies have failed under both schemes of finance. The one was too small to be financially strong while the other was too distant to exercise sufficient control. Strong hubs with weak spokes are as weak as strong spokes with weak hubs. Even so are strong financing banks with weak primary societies. One of the fundamental problems at present is the improvement of the efficiency of primary societies.

Supervising Unions.

P. JAGANNATHAM, POLUR.

The Union is once again coming into the news and there are still some who hope a future for the Unions. The latest is from the pen of Rao Bahadur A. Vedachala Iyer. According to him the Supervising Union is the best method hitherto thought of or evolved for the supervision of primaries. The president of the Hospet Co-operative Central Bank has however no illusions about the Unions. He is brutally frank. "The existence of Unions (in the district) in no way improve the movement; on the other hand, I have instances to prove that they have done more havoc than good."

The replies received from various sources for the questionnaire issued by the Committee on Co-operation show unanimity on one single point, *viz.*, that the Unions have outlived their usefulness. They (Unions) do not deserve an existence. Supervising Unions were not intended to be permanent institutions at the time of starting. The time has come when they should disappear; the supervision should be left entirely to the Bank; they should be scraped; they are not live limb of the co-operative organisation. This was the burden of some of the various replies received on the question touching the Unions.

The replies above were received from persons whose experience in the Movement are not of mushroom growth and their opinion is entitled to respect. Now even those who advocate the continuance of the Unions have no where dealt how the Unions can be an useful factor in the co-operative organisation. They want the Unions to be spoon fed by liberal contributions from the Bank, with more power of control over the Supervisors.

It is a well known fact, though some may not readily admit it, that he, among the villagers, who is more intellectually advanced and more often than not has an axe to grind, and who knows to manipulate matters, always comes to the forefront, be it the village society or the Supervising Union. As has been so courageously given utterance to by the president of the Hospet Co-operative Central Bank, the Unions, instead of being a strong link between the primaries and the Central Bank have sometimes acted in a manner calculated to jeopardise the interests of the financing banks. Experience has also shown that local influence and prejudice will avail even against the principles of co-operation and it is too much to expect the Unions to function in the manner contemplated by the original sponsors.

The Unions have been in existence for over two decades and their contribution to the well being of the Movement in general and the primaries in particular was *nil* and they have in some cases helped to disseminate wrong type of knowledge to the villager which only helped to make him more troublesome than what he was in his ignorance. He was accepting in good faith what was good for him and how he should regulate his conduct as a member of the co-operative society. Now he fails to do even that and that is due to half knowledge imparted to him during Union election propaganda.

Again the Unions have no financial responsibility and very little of moral one and it may not appeal to common sense to solely rely on the Union authorities to safeguard the Bank's interests, because we have seen that the Unions have proved on several occasions, not worthy of implicit faith in their actions towards the Bank from whom they expect liberal contributions for their existence.

The road points to only one way, *viz.* the scraping of the Unions. I believe that we may be able to do much more to the primaries without this intermediary, Unions, than with them clamouring for the lion's share in the profits of the Bank with the drone's part in the acquisition of it.

Dance and sing,
Time's on the wing.
Life never knows the
return of spring.

—JOHN GAY.

Controlled Credit.

BY K. SRINIVASAN, M.A.

Every lender has to exercise a certain amount of control over the borrower to recover his dues. The limit of credit of a borrower is controlled or determined by the solvency of the borrower. From these points of view every loan advanced could be called a controlled credit. But the word "Controlled Credit" is applied in Salem District in none of the above contexts: But it is applied to refer to a special class of co-operative short term loans.

Co-operative societies take short term loans from Central Banks and issue them to members for short periods for all useful purposes. The guarantee for the repayment of these loans is the promise of the borrower to repay at the expiry of a given period and his general solvency, supported by that of his surety. In these cases there is no particular source of income which the borrower ear-marks to pay his dues to the society. In the case of controlled credit the borrowing member apart from stating the purpose of the loan also indicates the particular source, in the case of a ryot, the produce out of which he will repay the loan. The borrower actually agrees to allow the society to exercise full control over the indicated produce till the loan is cleared. It is in this sense that the source of repayment is placed by the borrower fully under the control of the creditor society that the loan is said to be a controlled credit.

It will be clear that a creditor society will lend by preference to a borrower who agrees to pledge the source of his repayment rather than to a borrower who does not do so. It is for this reason that the Central Bank gives loans on the controlled credit system freely to even bad societies when they come forward to issue loans to members on the controlled credit system. Even in cases where the borrowing member is a defaulter, since he has agreed to repay the loan out of the proceeds of the crops which he has actually sown or agreed to sow on a given plot, the repayment of the loan is a normal certainity. It is only for this reason societies willingly grant loans on controlled credit system to even defaulting members. Default by itself is no sin. Even a defaulter has to meet expenses till he gets his harvest. So when a borrower, though a defaulter, agrees to come forward to pledge a given produce on a specified field, the society finds no objection to lend to the member. On the other hand, by advancing such loans and getting a control over the produce of the member, the society and the central bank improve their chances of being able to recover the old over-dues.

Thus, though the issue of loans by controlled credit seems desirable, its actual issue can not be managed properly without certain conditions

Paper read before the Cultural Association of the Central Co-operative Institute.

precedent. Firstly, the Central Bank should have an adequate and efficient field staff to inspect the crops in the fields pledged for the loan, and to see that the crops harvested are handed over to the society or to the nearest sale-society for sale. Though this is stated here simply, the task is by no means easy, and requires great drive, tact and control on the part of the supervising staff to get these properly done. Secondly, there should exist in the society at least a co-operating if not an efficient and business like panchayat. A further condition is also necessary *viz.*, the loans should be issued to a large number of borrowers over a compact area, to enable a decent quantity of produce to be handled for sale. The question will naturally arise whether borrowers will come forth freely to take loans on controlled credit agreeing to the above restrictions. The answer to this depends largely on how promptly the Central Bank is able to disburse loans to societies and how efficiently the society is able to disburse the loans to members and collect the produce delivered by the members. It is, therefore, clear that controlled credit could not be worked out haphazard over a wide area, but should be clearly planned ahead, the various links in the chain forged carefully and worked over a compact area, a taluk with a sale society and a godown preferably to begin with.

It was said above that controlled credit is advanced freely even to bad societies. But it should be noted that in actual practice it is only good societies that come forward freely to work it. It will, however, be to the advantage of the Central Bank to bring even bad societies in the area into the scheme, provided the supervising union in the area is itself efficient.

Most often the ryot disposes of all his produce within a few months of harvesting and so at the time the agricultural operations begin he feels stranded, he has not enough to eat, still less to pay for the labour to be employed in cultivation. But on these accounts he cannot postpone the cultivating operations. So if the society would not lend, the cultivator simply takes it from some other person (at whatever terms it may be necessary) and gets along with cultivation. In the scheme of controlled credit, supervisor in consultation with the panchayat selects some commercial crop raised in the village, estimates the needs of the members roughly in relation to the value of the crops that could be brought for sale by them and then prepares a short term loan application for a given amount and sends it for sanction to Central Bank with the following resolution. In the case of cotton for example:

> "Resolved to apply to Central Bank for Rs. 2,000 to finance the cultivation and other needs of members agreeing to cultivate cotton and sell it through the sale society...... ....
>
> Resolved to undertake to give loan to each member not exceeding Rs. 15 per acre and resolved to give the loan only after ascertaining and noting survey numbers of the fields on which the crop will be harvested.

Resolved to request the Central Bank to sanction the loan as a cash credit and permit the society to draw by cheque accompanied by a distribution statement.

Since the loan application has no distribution statement, it is a simple matter to prepare the loan application. In cases where the society is in default the supervisor will be expected to state how he expects to work the controlled credit in the society successfully. The sanction of the loan is done within a few days of its receipt from the union and the society is called upon to execute a pro-note for the loan amount. Immediately the pro-note is executed the society is supplied a cheque book and a cash credit account is opened in the books of the Central Bank.

It happens very often that immediately after the cash credit is granted, rains fall and members demand money for starting sowing operations. The society simply notes down the Survey Numbers, extent and the crop the member promises to cultivate in the minute book, sanctions the loan and gives a cheque to the party. It sends a copy of the particulars noted in the minutes in duplicate in a prescribed form to the Central Bank. The Central Bank honours the cheque (under the advice) in due course, and sends one copy of the form to the sale society for noting in its books. To save trouble to the members, the society also would cash the cheque and pay to members direct.

The cash credit loan first advanced to a member is usually a small amount to meet cultivation expenses. In most cases members sow the crops as promised. Members failing to do so without sufficient reason, are treated as promise breakers and required to repay their loans forthwith. Members who have sown areas as promised, usually require loans again a few months later to defray family expenses for *e.g.*, clothing for Deepavali. These demands are also freely and promptly met; the amounts sanctioned are noted in the pledge form referred to above care being taken that sums advanced in driblets in no case exceed Rs. 10 per acre for groundnut and cholam, Rs. 15 per acre for cotton and Rs. 20 per acre for paddy. The above limit is so safe that even if a ryot gets only 8 annas produce, the gross yield will be enough to repay the loans advanced.

Just a month before harvest, the supervisor will report to the Central Bank the condition of the crops in the village. During harvest time the panchayat will be encouraged to persuade the members to deliver their produce to the sale society. It is most important that in the early stages the Central Bank spares no staff or effort necessary to get the sale societies to work well and get the best price to ryots. Generally as a large quantity of produce comes to the sale society in the controled credit zone, fair prices are easily secured to producers. Incidentally it also secures to the sale society a large commission on goods handled and thereby ensures its successful working.

It is found in practice that small cultivators prefer to take cash only after their goods are sold. It is only big ryots with large stock that require advance. Advances on produce received in the godown are freely given by the sale society.

When the goods are received in the sale society each lot is first given a number. Then the quality and present price of his lot is explained to the member. He is then asked to give a limit for sale (a price limit or a time limit or both) and to authorise the sale society to sell the lot as per instructions given. In actual practice members don't wait long for the sale. They mostly bring stock when the price is favourable. Even otherwise, they keep enquiring prices and come direct and order the sale when they think the price is satisfactory. The sale is conducted on specified days in a week by auction or tender and on other days by negotiation with the owner's consent. In practice sale by tender is found preferable to sale by auction. Sale by tender prevents collusion of purchaser as the society has no obligation to accept a tender below the seller's offer.

When the price is settled the goods are actually weighed or measured in the presence of the seller and purchaser and delivered to the purchaser, who acknowledges receipt of the goods. The sale society immediately prepares a sale statement in triplicate stating the following:

Name of the party.
Goods Inward No. date. articles. units
Date of sale Rate. Quantity sold Price.
Deductions: Rs. A. P.

Commission	...	
Rent	...	
Interest on advance	...	
Principal advanced	...	
Society's deduction:	...	
Principal	...	
Interest	...	
Total	...	

Net amount payable to member Rs.

A copy of the sale statement is sent to the Central Bank, another to the party and the last to his society. By the time the party reaches the village the Central Bank advises the society of the amount remitted by the sale society. The society picks out the corresponding sale statement, debits the Central Bank and credits the member for the amount noted in the bank's advice. If the member has any further dues to the society this advice gives an opportunity to the President of the society to demand a reasonable share of the sale proceeds towards the loan. Once the society thus gives credit in full the member's cash credit loan is cleared and the transaction is completed. When all members have done like this the cash credit loan in the Central Bank would be cleared automatically. It is to be particularly noted that cash credit loans are issued by cheque and collected only by adjustment, through the sale society. If a society has to pay cash to clear the loan it becomes self-proved that its members were not loyal to the contracts and this should happen but rarely.

The advantages of lending by the controlled credit are many. In the first place the offer to issue loans promptly and timely even to defaulters helps to revive dormant societies and make live societies more lively. By giving to the society a measure of control over the income of the member, the system of controlled credit makes the collection work of the panchayat easy. It also enables members to find sureties easily and take loans freely as the produce in the fields noted serve as collateral for the loans. Because a large quantity of produce is certain to come to the sale society in a controlled credit area the sale society is certain to secure good prices to members and justify the commission charged by it. The system of controlled credit also assures a large item of income by commission to the sale society and thereby facilitates its efficient working. The system brings advantages also to the Central Bank. As the amount of short term loans increases it helps to make the position of the Central Banks more and more sound from the standards of modern banking. But more important than all these perhaps is the value of the training in business habit, commercial agriculture, joint sale the ryots get in the course of the practical day to day working of the scheme of controlled credit.

Peace be unto all!

" Whatever we think and feel will colour what we say or do. He who fears, even unconsciously or has his least little dream tainted with hate, will inevitably, sooner or later, translate these two qualities into his action. Therefore, my brothers, live courage, breathe courage and give courage. Think and feel love so that you will be able to pour out of yourselves peace and serenity as naturally as a flower gives forth fragrance."

—DHAN GOPAL MUKERJI.

Co-operation in the Land of the Rising Sun.

By MICHAEL FAY.

Germany, Italy, and Japan are totalitarian States. Naturally and justifiably the policies pursued by these three countries have earned the hatred of democrats. But because the Axis Powers follow evil paths, it would be folly to ignore the important fact that within each of these three nations are elements making for democratic social progress. Not least of such elements is the Japanese Co-operative Movement, whose leader, Dr. Toyohiko Kagawa, was recently arrested and later released by the Japanese military authorities.

Christian, Co-operator, and a prominent figure in the movement of organised labour, Kagawa personifies that by no means unsubstantial section of the Japanese people, who in happier times will play their part in building a new world, and who, even in these dark days when Japan is governed by a ruthless military clique, are keeping alive in Japan a number of effective co-operative enterprises whose very existence serves as a practical example of the falsity of totalitarian doctrines.

The history of Japanese Co-operation goes back to the Middle Ages. Co-operative "Financial Aid" societies existed in a large numbers between the years 1080-1300. Organised at first on the basis of family groupings or clans, these societies gradually extended beyond such narrow boundaries. They sought to assist the Japanese peasant and craftsman; they formed an effective barrier against the usury system. The co-operators of Japan have good reason to be proud of their claim that: "The co-operative spirit and co-operative organisation existed amongst our people centuries before the foundation of the first Western Co-operative."

With the beginning of the fourteenth century, information about these "clan co-operatives" grows less, and eventually disappears altogether. Societies along similar lines reappeared again, however, about 1,600, and for a time flourished. As far as can be ascertained, this second phase of Japanese Co-operation lasted about fifty years.

New impetus to the co-operative cause was given in 1843, when Ninomiya Sontoku founded "Hotokusha," a credit society, in the town of Odawara. It commenced with nineteen members. In many ways, Sontoku may be regarded as the Robet Owen of Japan. His pictures are still to be seen in practically all co-operative buildings throughout the country.

Between 1845-50 there were over 900 co-operative organisations officially listed in Japan, the great majority of these being based upon model rules drawn up by Sontoku. After his death there was a rapid decline in the number of co-operative organisations, who lacked effective trained leadership. The next step forward came in 1874, when Viscount Shinagwa and Tosuke Horata returned from a course of economic study in Germany. They had been much impressed by the activities of the powerful German co-operative credit societies, and the two men combined to form a Japanese credit society based on the German model, as well as taking an active part in general co-operative propaganda.

The principles laid down by the Rochdale Pioneers were first introduced into Japan in 1878. Takeoshi Baba, who had been at pains to secure a mass of information on the subject, contributed an article to a leading Japanese newspaper dealing with the British Consumer Movement generally, and the Rochdale Pioneers in particular.

In the following year, 1879, the first Japanese society operating on Rochdale lines was opened in Tokyo. Other societies quickly followed, but none lived above three years. Fortunately, the failure of these societies was not of such a kind as to damp down the growing agitation for co-operative developments, in which an increasing number of leading Japanese people were taking part.

Early in 1900 a bill was presented to the Japanese Diet for the legal recognition of certain types of co-operative organisations. The legislation eventually accepted gave legal protection and recognition to four types of co-operatives, marketing, credit, utilities, and purchasing. At the time the bill was passed by the Diet there were twenty-seven co-operative concerns falling under one of the four heads specified.

It will be observed that no recognition was given to ordinary consumer societies. There was a political reason for this. In 1898 a consumer society for railway workers had been formed. It worked in close association with the Japanese Socialist Movement, and grew rapidly in strength. The Japanese Government, then as now, was bitterly opposed to the Socialists, and although unable to openly attack the railway workers' society, saw to it, nevertheless, that the society's work was carried on with the absolute minimum of legal protection.

During the five years which followed the passing of Japan's first co-operative legislation there was wide spread progress. By 1905 the twenty-seven co-operatives had expanded to nearly 1,700, comprising about 140,000 individual members. This development made necessary the formation of a Central Co-operative Society, corresponding roughly in function to our own co-operative union. One important difference was, and is, that the central organisation admits individual members who have proved their practical sympathy with the co-operative cause.

Upto 1920 the Japanese Movement did not, however, make any spectacular progress in the sphere of Consumer Co-operation. November of that year made history. On November 7, 1920, Rikichi Okamoto founded the "Kyoshada" Society in Tokyo, catering specially for the

"labouring classes." Four days later, under Kagawa's leadership, the "Kyœkisha" Society was formed at Osaka. These two societies formed the real basis of Japanese Consumer Co-operation.

Despite the fact that the Tokyo Society was avowedly in sympathy with the Socialist movement, whilst that at Osaka followed strict lines of political neutrality, both societies did magnificent work. In 1921 the Kobe Consumer Society was founded with an initial membership roll of 1,200 to complete a sturdy triumvirate. The Kobe Society followed the Rochdale lines.

Difficult times came in 1922-23. There was a serious split in the Japanese Labour Union, which had its repercussions upon the Co-operative Movement. One section followed Yagi, an able and sincere militant; the remainder stayed with Kagawa, whose philosophical approach to all problems is essentially that of Gandhi. In 1924 the co-operative organisations under Kagawa's leadership felt the full impact of the "Left" defection, and heavy losses were incurred.

There was a panic amongst directive boards of the Movement and many deserted. Kagawa himself, with a gesture typical of the man, assumed full responsibility for the situation, and himself undertook to bear the burden of all outstanding debts.

To add to the problems facing Kagawa, another battle arose on the subject of selling *sake* the main Japanese stimulant. Naturally, the working-class members fought for it to be sold through their co-operatives. Kagawa took the opposite view. There were further reductions in membership following Kagawa's victory on this issue, but to some extent the loss was made up by an influx into the Movement of Christians, who had followed with keen interest the *sake* battle.

Recovery by the end of 1925 was sufficient to justify the formation of a rural Consumers' Co-operative Association. The Association sought to concentrate on co-operative development in the villages; to unite farmers' co-operative; and generally to provide a link between rural and urban co-operative organisations. The association was wound up in 1933.

The "Labourers' Co-operatives" had formed their own federation in 1922. It became known as the Central Japan Federation of Consumers' Co-operatives in 1927. The Federation took an active part in assisting industrial movements for better conditions; it constantly engaged in propaganda for the trade union and Socialist movements. Kagawa was associated with the Federation, but in 1929 there was another split, with Kagawa again taking the view that political neutrality was advisable in the then existing situation. The unbiased student has no difficulty in appreciating that there was a good deal to be said for both sides. Japan needed both forms of co-operative enterprise. Those co-operative organisations taking an active part in the day-to-day struggles of the Japanese masses for social improvement, and those organisations which sought to avoid public controversy, whilst carrying on normal co-operative activities, both had a contribution to make towards the general progress of the people.

The economic crisis of 1929-31 reacted sharply to the advantage of Japanese societies of every type. By the end of 1936 there were about 15,500 societies of all kinds, including some 210 consumer societies; these latter carrying on trade in urban areas. There are no reliable figures as to the number of rural consumer societies, but they are certainly considerable. Membership of the urban societies consumer is over 220,000, with an annual turnover of about £1,700,000. In assessing the value of this figure, account must be taken of the very low standard of living of the Japanese people.

By 1937 it was estimated that of some 12,800,000 families, at least half were co-operative members. The various societies officially recognised by the Government at present have a total membership of over 5,600,000. In addition, there is the large membership figure of the "unofficial" societies.

To Western co-operators the widespread Government patronage and partial State control of co-operative organisations in Japan is naturally repugnant. But it should be borne in mind that our own Movement in Britain is now rapidly reaching a stage where the major decisions of Co-operation are made for, and not by, the Movement itself. It is quite likely that, before the war ends, our own position within the nation will not differ greatly from that of the Japanese Movement.

Incidentally, it is worth noting that in Japan co-operative societies are exempt from all forms of income tax. Indeed, motor-vehicles, and even bicycles, both of which have to be licensed in Japan, are, if owned by co-operative organisations, excused payment of all licensing fees.

What is profoundly significant in the general co-operative situation in Japan is that a totalitarian Government, embroiled in a long and expensive war, has had the common sense to realise that the ordinary operation of co-operative economic principles is calculated at least to alleviate some of the hardships which the people must undergo, and consequently, assist in maintaining the general morale of the population. One could wish that our own democracy had learnt to a fuller extent the same lesson for the advancement of its own cause.

(*The Co-operative Official, January, 1941.*)

How Chinese Industrial Co-operative Units Work.

Many visitors have come to China in recent months wanting to know just how a Chinese Industrial Co-operative Unit is organised and worked.

The object of a co-operative unit is to carry on work according to four co-operative principles. First, membership is open to all qualified workers up to the maximum number justified by the economic conditions of the business. Second, each member of the unit is entitled to one vote. Third, the interest on share capital is limited. Fourth, the distribution of the net earnings is made on the basis of a bonus on wages.

On the basis of these principles there are six functions for which the co-operatives may register:

1. Manufacture and sale.
2. The right to enter into contracts for labor.
3. The transport of passengers and goods.
4. The purchase of materials and equipment.
5. The obtaining of credits.
6. The right to federate with other industrial co-operatives.

Obviously the type of co-operative to be formed which of the first three functions will be filled—manufacturing, labor or transportation. Materials, equipment and credit are all needed to a greater or less degree by every co-operative. All units reserve the right to join federations of industrial co-operatives, this being done either according to locality or by industry. These federations have a tremendously important function and will gradually take over finance, promotion, inspection, auditing and training, as well as supply and marketing. It is also likely that as the movement grows, these federations will consolidate into provincial federations and afterwards into a national federation of industrial co-operatives.

There are several ways in which a manufacturing unit can be organised. It can be organised simply for the provision of credit to its members. Alternatively, it can be organised for the purchase of raw materials and the sale of finished goods co-operatively; or for joint production by co-operative members in their homes. In the last case the obtaining of credit, raw materials and marketing is usually handled by the society itself, which retains the ownership of materials and finished products. Most of the industrial co-operatives in China, however, are organised as co-operative self-governing workshops which provide co-operatively for credits, supply of raw materials, marketing, and the shop with its equipment for carrying on the manufacturing process.

The co-operative self-governing workshop is the most complex form in that it includes producer co-operation in all its functions. But although it involves the most difficulties, it is usually the most satisfactory to the workers, especially to refugees who have no shop in which to carry on their production. It has the advantage that the finished goods belong to the society in its own right and standardisation and supervision are simpler than in joint production in the homes of the workers. In these workshops, the workers are paid wages for their work but share in the profits through a bonus on wages given at the end of the year.

When an industrial co-operative is organised, a General Meeting, of the Members is held. The Meeting, which has supreme authority, elects a Board of Directors and Supervisory Committee. The main responsibility of the Board of Directors is to see that the business is conducted efficiently and co-operatively subject to the general principles and policies laid down by the General Meeting. The Chairman of the Board represents the society in all its dealings with non-members. The Supervisory Committee, as in Credit Unions in America, is responsible for auditing the accounts and for supervising the work of the Directors to make sure that they always act in the best interests of the society. The Committee may, if it likes, appoint an outside auditor. At the end of the year a General Meeting is held at which a decision is made for the division of profits. This Meeting also approves the election of new members, expels members when necessary, and fixes the salaries and scale of wages to be paid by the Society.

The Board of Directors is empowered, where necessary, to hire a manager to run a small factory. In the smaller units one of the members, usually one of the Directors, serves as manager. If he is paid for his work as manager, it is not permitted that he be the same person as the Chairman of the Board of Directors. The Manager, however, does, not necessarily have to be a member of the society.

Management is a knotty problem for the Chinese Industrial Co-operative at the present time. It is extremely difficult to secure a competent manager, especially for the larger units. And, when a manager has been found, it is no easy matter to make clear to the members for his function and authority.

The co-operative movement in every country has found it necessary to train its own managers who will be loyal to the movement. But even if this can be gradually accomplished, there is another difficulty. Most of the workers are not acquainted with modern joint-stock company management of which, in certain features of management the co-operatives are a variant—that is, they have shareholders members who elect a Board of Directors which hires a Manager. They are accustomed to the master-owner (the *laopan*) system, where one man both owns and manages the shop. Consequently, it is difficult

to make clear to the members the difference in function between the Chairman—who is their representative as owner—and the Manager—who is hired by the Board of Directors to run the shop in an efficient way. Added to this is a complication in personal relations which does not occur in most joint-stock companies. The same men who sit on the Board of Directors one day to hire a Manager, have, on the next day, to go to the shop and take orders from that same man. The first reaction of members, upon learning that they have equal rights with all other members and that the General Meeting is the supreme authority, is to assume that no one can boss them. As in other countries, these difficulties are smoothed out in time, as the Members gradually learn what it means to elect and hire their own boss.

The minimum number of members in a unit is seven, and there is no upper limit. The average number, however, is fifteen, but there is no reason why there should not be several hundred members in one industrial co-operative after the workers become accustomed to the co-operative way of doing things.

An individual member's ownership in a society is represented by the number of his shares. He is required to purchase at least one share on joining and thereafter the General Meeting may prescribe further purchases of shares by members. Each share carries a guaranteed liability as stated by the society's constitution, but the maximum allowed by the Chinese Industrial Co-operative is to 20 to 1. This means that for every ten-dollar share that a member subscribes, the maximum debt of the society for which he can be made responsible is two hundred dollars. (The average for all industrial co-operatives on May 31st, 1940, was 8·2 to 1.) The tendency is for this ratio to be very large at the time of the first loan, but to decrease as the members of the society accumulate their own equipment and materials. All societies are encouraged to reduce the maximum liability allowed in their constitution each year as rapidly as possible, until the ideal ration of 2 to 1 of total liabilities to net worth is reached.

The members usually fix their wage scale in accordance with, or a little higher than, that prevailing in local industries. At the end of the year, after deducting depreciation and interest on share capital (limited to ten per cent which is the bank rate for commercial loans in China) the net profit is divided : 20 per cent to Reserve Fund, 10 per cent to a Common Good or Welfare Fund, 10 per cent to Directors and Staff who do not share in bonus on wages for the same work, 10 per cent to a local Industrial Co-operative Development Fund (this later goes to shares in the local Federation), and the balance may be distributed among the members and non-member workers as a bonus on wages. Two-fifths of this balance to be taken in shares by the members and paid to the local Industrial Co-operative Development Fund by non-member workers.

It is essential that the non-member worker by given special protection in the constitution of an industrial co-operative in order to prevent the character members from having any pecuniary interest in not taking in new members and hiring them as employee instead. The non-member worker is, therefore, given equal pay for equal work and a share in the bonus on wages equal to that of a member provided that he shows his willingness to assume the responsibility of the society by applying for membership within three months after the declaration of profits.

The industrial co-operative units have been marketing their own products everywhere except in the Northwest. Here the situation was different because of the very large order for army blankets which involved no problem of marketing. More than a year ago the China Industrial Co-operative in the Northwest started a Marketing and Supply Agency to take care of the other goods. This agency belongs to the local Federation of Industrial co-operatives and is managed by a joint-committee consisting of members from the local Federation and the regional Head-quarters. This agency makes joint purchases for the member societies and also sells their finished goods, taking a commission for both services. Profits are divided at the end of the year among the member societies.

It is obvious that in order to start and maintain industrial co-operatives among workers who are both uneducated and inexperienced in management and in the newer industrial technique, it is necessary to carry out an extensive programme for educational, training and technical experiments. In addition, there must be constant and close supervision. The genius of the co-operative directors is to bring out and develop latent capacity for responsibility which is required for the intelligent direction of the business which is after all the members' own. In other words managerial ability must be encouraged and trained. Care has to be taken so that at no stage no more responsibility is imposed on the members than they can carry. But, at the same time, as much responsibility as possible should be given to them. This policy of developing managership, just as the provision of machinery, is a pre-requisite to modern industrial development, be it on a large scale like the Ford factory or on a small scale such as the China Industrial Co-operative units.

(*Indusco News, March 15th, 1941.*)

Cottage Industries.

(*Continued from June Issue.*)

61. *Coir working class* —The full number of 12 students underwent training during the year in the various processes of coir manufacture such as beating, cleaning of fibre, spinning of coir yarn and weaving of mats and other articles in the coir working class at Beypore in Malabar, whilst a few of the old students returned for further training in mat weaving. Several thousand soaked husks and about seven candies of coir fibre were purchased and converted into finished articles. Six and a half candies of coir yarn, 2,400 feet of woven mats, 650 lb. of rope, 240 brooms, and 100 brushes and other sundry articles were made and sold, the sale proceeds during the year amounting to Rs. 610. It is encouraging to be able to report that several of the old students have taken to the spinning of yarn on the charka and are now turning out brush mats, etc. on a cottage industry basis. A resident of Beypore opened a small factory equipped with improved appliances and engaged some of the trained students, with whose aid coir goods of excellent quality were produced. A manufacturer of coir mats at Calicut deputed two of his women workers for training in the school some time ago and is now manufacturing from machine spun yarn, matting for cricket grounds and other purposes. Messrs. Peirce Leslie and Company, Limited, Calicut have kindly undertaken to value the machine spun yarn produced at the Beypore school and if this yarn can be produced in Calicut on a commercial scale on the basis of their valuation, they will send samples to London for further report with a view to developing an export business in Calicut machine-made yarn.

62. *Demonstration of the manufacture of white sugar from palmyra sweet toddy at Tiruppalur, Palghat taluk, Malabar district.*—A demonstration of the manufacture of white sugar from palmyra sweet toddy was conducted at Tiruppalur in Palghat taluk towards the close of the year, the people locally interested supplying raw juice, fuel and labour. This demonstration may be considered to constitute an advance over those previously carried out, in that it holds out a greater prospect of economic success for the small scale manufacture of sugar from palmyra sweet toddy on a cottage basis, the removal of lime from the juice and the centrifuging of the rab having been simplified. The cost of centrifuging may be brought down as it was in this demonstration, by driving the centrifuge by an engine engaged in running other industrial machinery, such as a rice mill, when not required for working the centrifuge. It would therefore seem advisable to engage in the small scale sugar industry only as a side line to or in conjunction with another small factory industry, since the sugar industry is a seasonal one, and an engine if bought solely for purposes of such industry would have to remain idle for a good portion of the year.

63. *Assistance to the Peravali Jaggery Co-operative Sale Society.*—With a view to improving the economic condition of the toddy tappers in the West Godavari district, the Government sanctioned in 1938-39, the deputation, for a period of two months of a mechanic of the department to teach the tappers of the newly formed Peravali Jaggery Co-operative Sale Society improved methods of preparation of jaggery. Owing, however, to the lack at that time of suitable mechanics trained in jaggery manufacture, it was not possible to give effect to the arrangement last year. A mechanic was deputed for the purpose towards the close of the year under review and demonstrations of the manufacture of jaggery were conducted in the Peravali area up to the third week of May 1940.

64. *Hand made paper.*—The two paper making classes attached to the Harijan Industrial School, Kodambakkam near Madras, and the Bharadwaj Asram, Peddakadubur, since transferred to Adoni, Bellary district, continued in operation during the year. The special grant by Government to meet the full expenditure involved was withdrawn, and the classes continued under the ordinary provisions of the Code of Regulations for Industrial Schools, the maintenance grant thus being limited to not more than half the net cost. The classes in hand made paper making at two other industrial schools one at Rajahmundry and one in Malabar were continued and paper making was taken up during the year by the Gokulam Cottage Industrial School, Madras. Generally speaking the plan in these industrial schools is to give the students of the regular school courses, *e.g.*, cabinet making, blacksmithy, etc., some instruction in paper making as a side line or subsidiary industry, and apart from these part-time students to admit a limited number of students for short intensive courses of three to five months full time instruction in paper making. Proposals are under consideration for establishing classes in paper making at other centres and some co-ordinating agency for supervising and developing the work to the best advantage seems to be necessary. A comprehensive scheme for the development of the hand made paper industry, which involved the constitution of three demonstration parties and the appointment of a supervising demonstrator, who, in addition to controlling the work of the parties, would carry out experimental work with a view to determining what raw materials are specially suitable for hand made paper manufacture and also devote attention to the evolution of improved appliances for the industry, was drawn up during the year, but has been deferred by Government for the present. The prolongation of the war may result in a shortage of paper, and would seem to provide an opportunity for the hand made paper industry to establish itself. It is very desirable, under the present conditions, that waste paper and other waste materials suitable for hand made paper manufacture should be collected and utilized for the purpose, as this would assist in some measure to solve the problem of paper shortage, should it arise in an acute form. It does not appear to be generally realized

that unglazed hand made paper makes an excellent blotting paper which is superior to, and much more economical in use, than the ordinary mill product, and there seems no reason why the whole of the requirements of Government and other large consumers of blotting paper should not be met by a properly organized hand made paper industry.

65. *Preparation of malted foods.*—There was a reference in last year's report to the fact that with a view to evolving a small scale plant for the preparation of malted foods from cholam and other cereals, Government had sanctioned the construction at the Industrial Engineering Workshop, of the requisite apparatus for soaking, drying and couching and machines for husking, grinding an roasting cholam. In the course of the year, a couching and malting basin with arrangements for temperature control, husking and polishing machine, automatic spiral roaster, grinding machine, and oscillating malt grading machine, were designed and constructed. An experimental trial of the whole plant was conducted by the Agricultural Chemist shortly after the close of the year as a result of which it was found desirable to effect certain alterations and adjustments to some of the machines. It is anticipated that these modifications to the plant will be completed by about the end of July.

66. *Sand paper.*—It was stated in the report of the previous year that Government had sanctioned the experimental manufacture of a gluing roller, hand worked grader, and sprinkler for the manufacture of sand paper on a cottage industry basis. Owing to the fact that no special staff was available for carrying on the experimental work and that the staff of the Industrial Workshops were fully engaged in addition to their ordinary duties, on the construction of a plant for the preparation of malted foods, little progress was made with the manufacture of sand paper machinery during the year. It is hoped, however, that it will be possible to complete the manufacture of the several machines and to experiment with them during the current year.

67. *All-India Village Industries Museum, Wardha.*—The Government sanctioned during the previous year an expenditure not exceeding Rs. 950 for the supply of various models of village implements with the necessary charts and blue prints for display at the All-India Village Industries Museum, Wardha, and the following articles were manufactured and forwarded to Wardha for the purpose during the year under review, models of cotton durry weaving loom, kora grass mat loom, husk crushing machine, willowing machine, coir spinning charkas and block printing apparatus, from the Government Textile Institute, of improved juice boiling furnace, Pinto chekku, bullock driven chekku, Panruti circular mhote, Ramachandra water lift and charcoal making furnace, from the Industrial Engineering section, of appliances used in the manufacture of jaggery, coir rope making accessories and tannery implements from the Leather Trades Institute, and of an improved potter's wheel and kiln from the School of Arts and Crafts.

(*From the Administration Report of the Department of Industries and Commerce, Madras, for the year ended 31st March 1940.*)

What others say.

New Indian Report on Co-operation.—The Committee on Co-operation, appointed by the Madras Government in 1938, has now submitted its Report giving a comprehensive survey of the development of the Co-operative Movement in the Presidency since the enquiry of 1928 by the so-called Townsend Committee. and the Maclagan Report of 1915.

The Committee worked in close co-operation with the Government, which drew up a basic questionnaire and collected most of the fundamental data on a large variety of problems, which, however, did not cover the Consumers' Movement in urban areas nor the Building Societies in both rural and urban districts. The Credit Societies seem to have monopolised the attention of the Committee. The historical discourse which deals with the progress of the Movement since the enactment of the Co-operative Societies' Act of 1904 contains, however, some reference to the Consumers' Movement in towns. On the whole, the Report is concerned primarily with the rural aspects of Co-operative development in India, and seems to overlook the industrialisation of certain parts of the country, stimulating the growth of Stores' Societies, and its implications for the Agricultural Movement by creating in the towns a co-operative market for the output of the peasantry.

The rehabilitation of the Agricultural Credit Movement is the central point of the Report. Its most interesting recommendation is that these Societies should be reorganised on a limited liability basis, which is opposed to the view of the Government of India that unlimited liability is the most suitable form for Rural Credit Societies. Practice has, however, shown that the main advantages of the principle of unlimited liability, such as mutual trust and mutual supervision, have been outweighed by the difficulties of mobilising the necessary working capital and of creating credit units sufficiently large to cover the costs of operation.

Two other recommendations in connection with the Credit Societies are of interest; firstly, the suggestion that Supervising Unions should be set up in new districts only at the discretion of the Central Banks; and, secondly, that the latter should have no individual share-holders. It is true that practice has not shown the Supervising Unions to be capable of exercising effective control over the finances and management of Primary Societies, but the principle was undoubtedly a sound one. This recommendation, combined with the elimination of individual shareholding which often provided the most efficient and gifted elements of the directorate, must increase the responsibility of the representatives of the Primary Societies for the management of the affairs of the Central Banks. From the point of view of co-operative principle, it is a welcome recommendation, but there seems to exist no unanimity amongst Indian co-operators as to its practical value.

The Report deals also in a comprehensive manner with the causes of rural indebtedness and measures of debt relief, with the position of land mortgage banks in Madras, with the Marketing Societies, and with the urban banks. Some of the recommendations of the Committee will require careful study, and most of them will, for a considerable time, occupy the mind of Indian co-operators.

The Indian Reserve Bank and the Co-operative Credit Movement. Withdrawal of the Right of Free Transfer of Funds.—A recent decision of the Indian Reserve Bank, effective from 1st October, 1940, to withdraw the special remittance facilities from the Co-operative Banks is not only of considerable material significance for the Movement, but it involves also an important question of principle.

The Indian Provincial and Central Banks have enjoyed the right of free remittance of funds by mail or by telegraphic transfers since the inauguration of the Movement in 1904. Under these arrangements it was possible to effect savings in costs of some importance to such credit units as the relatively small Central Banks. It is estimated that the average annual amount transferred in this way during 1937-40 was Rs. 12,576,295 for the Co-operative Central Banks and Rs. 10,618,559 for the Provincial Banks. From 1st October, 1940, the Co-operative Banks will have to pay 1-96 per cent. for all remittances up to Rs. 5,000 and 1-32 per cent. for amounts over Rs. 5,006, in addition to actual telegram charges. Co-operative Banks are thus treated as private "indigenous" bankers.

The facilities of free transfer were originally granted to the Co-operative Societies in recognition of their special social functions. When more than ten years ago these facilities were, to some extent, restricted, this was not applied to funds required for genuine co-operative purposes. The importance of free transfer for the Co-operative Movement, and especially for its agricultural side, was emphasised by the Indian Central Banking Enquiry Committee. The same point was reiterated in the Statutory Report of the Reserve Bank, published in 1938, which laid stress upon the point that, with the reform of Indian provincial finances, the whole costs of free transfer were borne by the Central Government, and that some readaptation of this policy to new conditions was required. The present restrictions apparently follow these suggestions.

The main reason which guided the authorities was that funds transmitted under conditions of free transfer were used not only for financing inter-co-operative transactions, but also for ordinary banking business. This is admitted by the Co-operative Banks themselves but, at the same time, they suggest that the authorities have left out of account the sacrifices which the Co-operative Movement made in order to conform to the conditions of the Reserve Bank by limiting considerably the scope of their activities in both the rural and urban areas.

The refusal of the authorities to recognise the peculiar structure of co-operative enterprise aroused strong protests amongst the various sections of the Movement. In this they find support in the recently published Report on Co-operation of the Committee appointed by the Government of Madras (to which reference is made in another note in this Chronicle) which recommended that :—

> "In view of the general reduction in the lending rates of Co-operative Organisations and low margins on which they are working, the existing concessions of free remittance of funds for *bona fide* co-operative transactions should be continued by the Government, and non co-operative transactions may be charged at the same rates as those charged to scheduled Banks."

The Movement demands now either the restoration of the old privileges or the removal of the various restrictions of development of co-operative banking which were originally imposed to prevent the misuse of the privileges of free transfer of funds.

It seems to us, however, that the former alternative is of greater theoretical and practical importance, and that the restoration of the right of free transfer would prove or more assistance to the Credit Movement than the removal of certain restrictions, the origin of which lies not only in the relationship between the co-operative and joint-stock banks but, to a greater extent, in the nature of operations in which Co-operative Banks are engaged, *i.e.*, promotion of agricultural Credit.

(*Review of International Co-operation, February, 1941.*)

"*Stagnation in any sphere is damnation.*
Stabilization is paralyzation."

"*The eyesight of wisdom is corrected*
by the spectacles of experience."

"*It is no use having castles in the*
air unless you build ladders to reach them."

—A. J. Cook.

KANGAYAM BULLS PRIZE WINNERS.

By courtesy—Indian Farming, March 1941

YOUNG KANGAYAM BREEDING BULLS ALLOTTED FOR BREEDING FOR THE COIMBATORE DISTRICT BOARD SCHEME.

By courtesy Indian Farming, March 1941.

KANGAYAM BULLS—PRIZE WINNERS

By courtesy: Indian Farming, March 1941.

BEST KANGAYAM BULL (8 TEETH)

By courtesy: Indian Farming, March 1941.

Tirupur Cattle and Pony Show.

The Tirupur Cattle and Pony show with Industrial and Agricultural Exhibition was held on Tuesday the 10th June 1941 under the auspices of the Coimbatore District Agricultural Association. Leading agriculturists of the district and of neighbouring districts came in large numbers for the show. The weekly shandy where the show was held was beautifully and tastefully decorated with card boards containing appropriate sayings on agriculture which attracted the attention of everyone. The Collector of the District, the Director of Veterinary Services and the Livestock Development Officer and the officials of the District were present. Mr. V. C. Vellingiri Gounder, Secretary of the Association requested Mr. A.R.C. Westlake, I.C.S., District Collector, to declare the show open. In the evening Mr. G. D. Naidu of the United Motor Service, Coimbatore, entertained the public with a cinema show on various agricultural and industrial subjects which was greatly appreciated. The second day of the exhibition was devoted for judging the exhibits. There were four sections Pony, Cattle, Agricultural and Industrial sections. A pleasing factor of this exhibition was that non-official gentlemen readily accepted to be the judges for the various sections and also helped the Association in finding out the deserving winners for each item. On the third day the prizes were distributed by the Director of Veterinary Services. The speeches of Mr. Westlake who opened the exhibition and of the Director of Veterinary Services who gave away the prizes are given below. The Tirupur Municipal authorities made special sanitary and other arrangements on the occasion. The South Indian Railway authorities also made similar special arrangements in the station compound.

We have published photographs of cattle usually exhibited in the Show through the kind courtesy of the publishers of the *Indian Farming*. We have no doubt they will attract the attention they deserve especially in view of the importance of cattle-breeding.

In declaring the 23rd Cattle Show and Exhibition open, A. R. C. Westlake Esq., I.C.S., District Collector and President of the Coimbatore District Agricultural Association said :

I am glad to be able to be here to-day, and I consider it a good omen. I think this is the last public function for me and the first for my successor Mr. Sivaraman, who is here in our midst. I will be carrying pleasant memories of this district. Mr. Sivaraman might be a stranger to most of you but to me he is not a stranger. He was my colleague in the Ramnad District. There he used to take a genuine interest in rural development, opening of wells and the public health of the District.

I had been here in this district only for the past six months. But as the Director of Agriculture I knew something about this district. In spite of the industrial development in and around Coimbatore, this district is pre-eminently a district of farmers, big, medium and small, most of them good farmers. It can in farming lead most of the districts in this Presidency. It is also a district in which cattle breeding is considered as a special branch. The leading farmers have already earned reputation for themselves in farming and stock breeding. But we cannot stand still. Farming can be static in its operations for centuries. But there comes a time when things do change and change suddenly. There was such a time in England about 150 years ago when farming methods underwent a rapid change. Look at other countries.

In Russia, due to political and economic changes, there has been a revolution in general conditions of farming. That revolution has been imposed on the farmers. Those who did not abide by the changes were either shot or taken away to far off places to labour as coolies.

In Germany there are pretty good farmers. But under the regime now prevailing the farmer has very little to say about the running of his farm. Government Officials come and dictate what crops have to be sown, what cattle have to be kept and generally say what is to be done and what not. If he is a bad farmer or an ordinary farmer who cannot live to the expectations of the Government his farm is taken away. If unfortunately personal feelings arise, due to differences in private life between the farmer and the official, then the farmer, whether good or bad, has to leave his farm.

The U. S. A., that great home of individualism, was the home of big scale farming. There is a large level plain called the Middle West. There the people gambled with nature, ploughing with large machines. They raised bumpercrops of wheat, without consideration of the conservation of the soil and the need for sound practice, with the result that there are no farms now. Nature took its revenge in return for this bad treatment. Nature refused to yield her fruits. The soil has vanished, there is a thin layer of earth on which existence can't be sustained. That and other economic forces have brought about big changes. The Government has stepped in—not as in Russia or Germany as a dictator—but as a helper and adviser. Important changes are going on in the system. The big tractor is not now in demand. The smaller tractor is coming into favour. There is also an impetus towards co-operative marketing.

In India we can't stay still and be unaffected by the changes that are going on in the world and in India. One result of the War will be to speed up industrial production—industries will become bigger, towns will become bigger and the urban population will become bigger. The industrialists are well organised. Labour has got its own organisation. These organisations are used to secure a fair place in the political and economic structure of the country. If the agriculturist remains unorganised, each caring unto himself, in his own village, he will be at a disadvantage. He will not have any

say, still less an adequate say, in the future development of farming. Changes may come which will suit the industrialist and the urban worker, but not farmer. It is, therefore, absolutely essential that farmers should organise as farmers. They must get favourable conditions for their work in the farm and get proper returns for their labour. Of course, farmers are numerically predominant. On this account they can't dictate but they can claim an equal voice with other sections of the community. So the farmers of this province should organise to get an equal voice in the future. All those who run farms—Brahmin or Non-Brahmin, Hindu or Moslem, the European Planter on the Hills or a Rice planter—they all have a very vital and common interest. In the economic field all should work together.

Coming now to the position in this district, as I stated, this is a leading agricultural district of good farmers, with a high proportion of forward looking and advanced farmers. The Coimbatore District Agricultural Association was started sometime back. This Association inherited some funds. But now it is moribund. There are very few active members. If that state of affairs continues, it will have to be shut down. Farmers will have no common body to represent to the Government or to the Opposition or to the Government Officials. We want everybody, Muhammadans, Brahmins and Non-Brahmins, to talk to Hindu Leaders, Muhammadan Leaders and to talk to everybody and to every political leader. Vigorous attempts will have to be made to revive the Association. Farmers know what a gamble is made on the rains, nature and the market, every time a crop is raised. This Exhibition is one such gamble. It used to be the practice to hold it once in two years. Now it is proposed to have it every year. An Association is needed to rouse the farmers, to impart to them knowledge of agricultural discoveries, knowledge of markets, knowledge of all legislation affecting the farmers, both that are under comtemplation and that which has been passed, knowledge of the various activities of the several departments of the Government which are of vital importance to them. The District Agricultural Association is there to disseminate information and with this end in view we have entered into an arrangement with the co-operative journal called "*Kooturavu*". We have agreed to fill a considerable part of the magazine with articles and information regarding farming. All farmers will pay a moderate sum of Rs. 3 per annum and receive the magazine. The agricultural section of this journal is in its infancy. It is in Tamil and therefore, can be read by every farmer who has been in any elementary school. It is in your interest to subscribe and get a copy. Get it and read it. If the articles that appear in the journal are not useful, then write to the Association and we will give you the stuff you want. This should be read not only by the ryot but also by his wife, daughter and son, who need knowledge of agriculture, health, education and the various forms of recreation. This should be treated as the ryot's own newspaper for himself and his family. We hope that if the District Agricultural Association is strengthened, the ryots will join in large numbers. If there is sufficient response and the ryots take interest, we can have yearly fairs like this, not only here but in many parts of the district. We have gambled in this matter. Personally, I too have gambled and put down some money also. I am giving the farmers of the Coimbatore district this chance to respond. This District Agricultural Association should be a real and live association. A new committee will have to be elected by large members meeting together. Then politely and with ceremony remove the Collector from the Presidentship. You may, if you like, give him a complimentary and high sounding title such as Honorary President or Patron. But this Association should be run in Coimbatore by Coimbatore farmers and for Coimbatore farmers. In this way you may be sure it will run in the interests of the farmers as a whole and not for this individual or that individual. The Collector and all Government Departments will support you. I am going out as Secretary of the Education and Public Health Department. Education and public health of the farmers will be one of my chief concerns. I may come back as Collector of this district or be in some other Department which concerns the needs of farmers. If you don't organise and take this opportunity, my interest will not in the future be all that you could wish for. I tell you this straight. Districts where the ryots show signs of awakening and are willing to organise themselves will not, unnaturally, claim a larger share of my attention. This is a fair bargain. Here is a chance to help yourselves. See that you have it.

I particularly welcome Captain T. J. Hurley, Director of Veterinary Services, who has come here to-day. When I was the Director of Agriculture, we pulled together like two oxen under a single yoke. I am happy that Mr. R. W. Littlewood, the Live Stock Officer, Hosur, is here. He is doing splendid work there. I hope that the ryots, two or three bus loads of them or half a train load of them, will make an excursion to Hosur to see the work he is doing over there. I thank the District Officers of the Revenue Department, the Veterinary Department and the Agricultural Department for the help rendered by them.

I am going to finish with a word about the War. We can congratulate ourselves that while Europe, Africa, Syria and a part of Asia are distracted by terrors of war, we, here, are able to hold this Exhibition in peace. To what is it due? It is due to the heroic armies, navy and the air force of the Empire, due to the bravery of the British, Indian, Australian, South African and Free Frenchmen who are now in the frontline of the battle. To them we owe the blessed peace and the blessed freedom to continue the ordinary tenor of life we enjoy. In Iraq this was threatened the other day. That threat has been pushed back now. Syria is threatened by the slow infiltration of German influence. Where do you think Syria is? Keep on passing from one village to the next village and you will come to it. In Crete we were situated unsuccessfully. It is a case of two men sitting

on the sluice and their enemies on the bank. I am sure that in Syria our troops will have a fair field. If they get this, there will be no doubt about the result. This war is different from the last war. This war is a war of machines and of speed. Speed is changing the face of the world. Every day from the U.S.A. we are getting large aeroplanes, larger than any produced by Germany, in 8 hours run. If there is one man who realises the importance of this, it is Hitler. He knows that aircraft and machines are being produced with ever increasing speed. Somebody has told him that in India also we are preparing for the war. And now he is trembling within his shoes. He knows that the wheel of fortune is turning against him. People who know Liberty, who have Liberty and who hope for Liberty are determined to crush Hitler. Britain will soon have vast supply of machines and air craft. Britain will soon have more of them than Hitler has, better, stronger and faster machines than Hitler has. Hitler feels the weight and feels the wheel of fate trembling from his position at the top. He and his nation are able men. But they are beginning to be desperate men. As far as we are concerned there will be no scarcity for brave fighters. But we want money and machines. Hitler will do everything he can to keep his position at the top of the wheel. But if every one of us does all he can, that wheel will turn and it will see Hitler down and down and down until he falls from his perch into the bottomless abyss below.

Before distributing the prizes on the last day of the Show, Captain T. J. Hurley, M.R.C.V.S., D.V.S.M., Director of Veterinary Services, said:

Before distributing the prizes I should like to take this opportunity of thanking the President and the members of the Committee of the District Agricultural Association of Coimbatore, for their invitation to be present at the 23rd Cattle Show and Agricultural and Industrial Exhibition and to distribute the prizes. As you are aware, I am in charge of Live Stock Improvement work in this Presidency and I can assure you at the outset that the standard of exhibits which I saw yesterday has pleased me immensely and has given me some encouragement for my work. Livestock inprovement, I need hardly mention, is a very slow process and if I were asked the chief essential necessary for success I should say patience. There is no short cut measure. It takes years before any appreciable results are obtained.

Coimbatore district, I am pleased to say, is the most progressive one in the Presidencyf or livestock improvement work and I should like to congratulate the District Board on the magnificent efforts which it is making in this direction.

The first essential in the improvement of cattle in an area is the presence of a good quality bull and to encourage the maintenance of good breeding bulls many schemes are in vogue, the chief being the "District Board Scheme" and the "Premium Scheme." The "District Board Scheme" means briefly that suitable bulls are purchased by the Board, partly financed by the Government, and allotted free to selected custodians. At the end of two years, provided certain conditions are fulfilled, the bull becomes the property of the custodian. In the "Premium Scheme", Government sanction Rs. 100 a year to the owner of an approved bull and small prizes are granted to the owners of the best progeny of the bull.

These two schemes and others, which are at present under the consideration of the Government, have one chief object to help owners financially and to encourage them to keep good breeding bulls. In this district you may perhaps be interested to know the number of approved bulls at stud. The majority, I may say, come under the "District Board Scheme." During the years 1939, 1940 and 1941 there were 86, 92, and 131 bulls respectively. These figures will help to show the interest taken in the cattle improvement in this district. The custodian of each bull maintains a register of services and the bull and progeny areinspected by the Veterinary Assistant Surgeon at least once a quarter. This in brief is the present organisation for livestock improvement work but the time, I think, has now arrived when some improvements can be made and I should like to take this opportunity of making some suggestions for your consideration and future work.

At present the only consideration given to the placing of a bull is a suitable custodian with the result that the bulls are wide spread throughout the district. This policy for a beginning is quite a good one as it helps to instil into the people of the district as a whole the advantages of selective breeding and to make them appreciate perhaps the difference between a good and a bad animal. It makes them more animal-minded. But for steady and real progress to be made it is desirable and essential to concentrate the work more. I might perhaps illustrate what I mean by comparing the district of Coimbatore to a circle in which the bulls at present are stationed on its periphery. Would it not be better to station the bulls in the centre and work outwards than from the periphery inwards? I think you will agree there is only one answer—YES. In other words more concentration of work is required in future with a gradual extension of the areas.

In addition, however, to maintaining approved bulls in selected areas, there are one or two principles to be observed if real progress is to be made. Firstly, the castration of all scrub or undesirable animals in the area and secondly, the marking and registration of the progeny of the approved bulls. I do not need to emphasise the necessity of castration of scrub animals, and without the maintenance of systematic records and the knowledge they provide, selection is not possible of suitable parents for breeding purposes, which is the basis of all live-stock improvement work.

The time, I suggest, has now arrived when the work of this kind should begin in selected areas of this district and in course of time, after the characteristics of the Kangayam breed have been defined and there is a sufficient number of animals in the district accepted as such, a Kangayam Breed Society to look after the interests of the breed should be formed.

Government, I can assure you, are very sympathetic and are very anxious to help towards the improvement of the live-stock in the Presidency and I might mention that within the past year three very important requisites have been made available for this purpose. I refer to the creation of a Live-Stock Improvement Board which consists of officials and non-officials to consider a live-stock policy and its various schemes. There is also a Live-stock Improvement Fund in connection with this Board to finance schemes. Then there is the Compulsory Castration Act which can and will be applied in selected areas and the new Rinderpest Act. Rinderpest, I need hardly mention, is the most fatal contagious disease of animals in India and is responsible for about 50 per cent of the total mortality. The new Act will enable the Veterinary Staff to deal with it more satisfactorily than at present.

Very little attention, I am afraid, has been given to the scientific breeding of animals in India in the past and it is only in very recent years, due largely to the keen interest which H. E. The Viceroy has taken in the subject that special thought is now being given to this work. This apathy in the past was due chiefly to the severe and widespread epedemics which occurred and wiped out thousands of animals. The result was that quantity and rightly so was considered more important than quality, as there is nothing more disheartening than to have valuable animals which may have taken years of steady and hard work to bring to perfection, taken away by disease. There is no excuse for this policy now as we are in the happy position of being able to control and protect animals against all the contagious diseases which are likely to be a menace to the breeding of good stock. In this district, for example, the chief contagious diseases which give trouble are Rinderpest and Blackquarter, both of which can be controlled and against which animals can be immunised or protected. The biggest private breeder in this district and for that matter in India can testify to this statement—I refer to the Pattagar—and I feel sure he would admit that without the assistance and advice of the Veterinary Department in controlling these diseases on his farm, the breeding of valuable live-stock would be a disappointing undertaking. I might also mention Government Cattle Farm at Hosur where the breeding of animals has been going on since 1924 without any serious trouble from disease. The slogan, therefore, in connection with the cattle should now be "*Quality*" and not "*Quantity*" and this can be attained by observing the points I have mentioned—with, in addition, good and sufficient food. These points are—concentration of approved bulls in suitable areas—the castration of scrubs—the marking and registration of the progeny of the bulls and their protection against rinderpest, and the cultivation and provision of good food.

You might now perhaps ask why take all this trouble to breed good animals—why spend money on the purchasing of good breeding bulls and carrying out all the other principles I have laid down. There are many reasons but I shall confine myself to one or two. First of all from an economic point of view it is very desirable to breed a good quality animal. As you are aware, thousands of animals are imported into South India every year from an adjoining State for ploughing and cart purposes resulting in thousands of rupees leaving the province every year for their purchase. This district is much better off in this respect than adjoining districts which depend largely on imported animals to carry on essential works and the aim of this district which is very suited for the purpose should be not only to become self-contained in this matter of its live-stock but be able to produce surplus animals for sale to the neighbouring districts. I consider it a very sound business proposition because the good quality bullock will be required for generations in this country for ploughing and carting. Some may query this statement and say that the production of live-stock is not such a money-making business as producing cash crops but I submit that the former is a steadier business, bringing in a regular income and is not so sensitive to world conditions as the production of cash crops. The latter are liable to extreme fluctuations and may boom for years—but are very sensitive to adverse conditions and the profits accumulated in the fat years may disappear quickly in the lean years. We have some examples of that now due to the present world upheavel.

Another reason for paying attention to the breeding of a better type of animal and perhaps a more important one is the question of milk production. The consumption of milk in this Presidency is very low—simply because it is not available. Generally speaking the diets of the people in this Presidency are deficient and the best single food to make up the deficiency is milk. I would go so far as to say that the first item which requires to be increased in this Presidency is milk. It is necessary for good health and a sound physique and its increased production can only be obtained by producing better cattle. Certain breeds are renowned for milk production such as the Scindhe breed which we are now introducing into this Presidency in greater numbers that the purely draft breeds of which the Kangayam is one can by selection be made to produce a fair quantity of milk. In the Kangayam Herd at the Hosur Cattle Farm we have found that the milking quality of the breed can be considerably improved without interfering with its draft qualities. There are now some Kangayam cows in Hosur giving over 4000 lbs. of milk in a lactation. In any case good animal husbandry will increase the milk production in any breed. Your efforts in this district will tend in this direction and will make available more milk for human consumption.

A Show is a necessary adjunct to the other requirements of live-stock improvement. It creates a competitive spirit in the production of the best—the exhibits convey to the minds of the people the type of animal required and the prices realised by good quality stock give that extra stimulus to further improvement. Your Committee has now decided to hold this Show annually and I hope in the near future it will become a centre in which buyers from all over the South of India will assemble to get their annual cattle requirements.

I will not take up any more of your time, but before closing I should like once again to thank your Committee for their invitation to be present and to congratulate them on organising such a successful show. We have all, I am sure, benefitted by coming here and I am more than pleased with the high standard attained in the various classes. Everything went like clock work yesterday. The Secretaries, Judges and Stewards are to be congratulated on getting through the work so punctually and well.

Working of Societies

The Madura-Ramnad Co-operative Wholesale Stores and its Chain of Affiliated Primary Stores.

(*Contributed.*)

When the war broke out in September 1939, the retail traders in Madura and Ramnad suddenly raised the prices of staple food grains. This action was purely speculative as there was no likelihood of any interruption in the normal sources of supply. To cite a few instances the price of Parry's sugar which was Rs. 33 per bag (2 cwts.) on 31-8-39 was raised to Rs. 40 on 3-9-39. The price of Bengal gram was raised from Rs. 13 to Rs. 18 per bag. In respect of sooji, wheat-flour, castor oil and gingelly oil the rise in price was nearly 50 per cent of the price prevailing at the end of August 1939. The price of wrapping paper which was Rs. 35 per bale shot up to Rs. 95. This sudden rise of prices inflamed the minds of workers and resulted in looting at some places in both Ramnad and Madura districts. The Collectors of Madura and Ramnad therefore suggested that Co-operative Stores might be started at suitable centres to combat profiteering and they also instructed the officials of the Revenue Department to assist the officers of the Co-operative Department in the starting of the stores. Stores societies could not however, be started immediately at all the centres ,as there was not sufficient staff to attend to their organisation. A plan was drawn up to start at least 50 stores over a period of six months and before October 1939, 15 new stores were started and thus at the end of October 1939 including the 9 stores already in existence, there were 24 stores. It was soon realised that isolated stores working in several centres were unable to compete with the merchants and had to depend entirely on the traders for their supplies. The stores themselves were exploited and it looked as though the main object of their starting viz., to check profiteering, would be frustrated. It was at this juncture that the idea of starting a Co-operative Wholesale Stores was conceived with the main object of buying provisions on a large scale at wholesale rates in the cheapest markets and distributing them to the constituent member stores. The idea was welcomed by all co-operators. A public meeting was convened which was attended by the representatives of Co-operative Stores, Sale Societies etc., and a large number of prominent gentlemen in Madura. The then Collector of Ramnad, A. R. C. Westlake Esq., I. C. S., presided over the meeting. It was unanimously resolved to start a Co-operative Wholesale Stores. It was registered on 22-11-39, and started on its work on 17-2-40 by S. A. Venkataraman Esq , I. C. S. Registrar of Co-operative Societies.

The jurisdiction of the wholesale stores is confined to the two districts of Madura and Ramnad with headquarters at Madura. Membership is open to individuals and to co-operative societies working in the two districts. The capital of the wholesale stores is Rs. 1,00,000 made up of 2,000 shares of Rs. 50 each. The Board of Management consists of 15 members of whom not less than 9 shall be representatives of societies and the directors hold office for a period of two years. The directors elect from among themselves a President and a Vice-President. The day-to-day work is attended to by the Secretary who is an officer of the Department whose services have been lent to it. He has no seat on the Board. There is a purchase committee consisting of two directors besides the Secretary who is an ex-officio member of the Committee.

A great many difficulties were experienced before the C. W. S. could start work in right earnest. The private wholesale merchants made determined efforts to stifle this infant institution and threw a number of obstacles in its way. One or two instances may be mentioned here. The C. W. S. which required large quantities of paddy went into the market and discovered a ring operating against it which put up the price of paddy. The C. W. S. immediately sent one of its directors to Tanjore to purchase 4,000 bags. When the railway waggons arrived at Madura with the paddy, the merchants felt that they could not have their own way and prices came down. Similarly the sugar merchants combined and began to sell at Rs. 34-6-9 per bag of 2 cwts. while the actual cost price at Madura was Rs. 34-9-9. Realizing that they were selling below the cost. price, the C. W. S. placed large orders with the merchants themselves. Then they raised the price of a bag to Rs. 40. The C. W. S. went in immediately for sugar from outside sources at Rs. 34-10-0 per cwt.

These initial difficulties have now been overcome. There are at present 149 members in the C. W. S. of whom 72 are stores, 42 are individuals and 32 are other societies and institutions. The paid-up share capital is Rs. 25,250. The Central Bank has allowed a cash credit of Rs. 1,20,000. It has secured an excellent building with adequate godown facilities in the business part of the Madura City. In fact, it is in the very midst of the wholesale merchants and is therefore in a position to keep itself in close touch with the market. In order to compete with the private wholesalers, the C. W. S. spared no pains to get into touch with the producing centres. Among the commodities obtained are wheat from Bombay, flour from Karachi, coconut-oil from Quilon, rice from Rangoon, Tanjore and Nellore, tamarind from Bangalore, pepper from Alleppy, etc. During the period of just over a year the C. W. S. has purchased goods for the value of Rs. 6,44,866 and effected sales for Rs. 6,05,350.

The staff of the C. W. S. is divided into half a dozen branches. In addition to the general branch where the Secretary, Manager and others work, there are separate departments for accounts, godowns, indent, purchase, issue and transport. Each day when the tappals are opened the

indents received are registered and forwarded to the indent department which attends to this branch of work and then sends them to the godown department. The various sections of the departments take out the articles included in the indents and then forward them to the issue department where they are checked with the indents, weighed or measured as the case may be and handed over to the transport branch. The articles are generally weighed and measured in the presence of the lorry drivers or the bandymen who take delivery of them. A list of articles despatched with details regarding quantities, prices, etc., is then forwarded to the invoice section which prepares the invoices and sends them by post to the purchasers. The goods are despatched to the primary stores by train, lorry, or bullock bandy whichever is cheaper.

The C. W. S. has been successful in preventing profiteering and this has been admited even by merchants. In smaller towns also as well as in the villages, the effect of the stores movement on the price level is pronounced and the Co-operative Stores in several centres have effectively controlled the prices. The C. W. S. has also helped in standardising weights and measures. There was no uniform standard in the Madura markets. The C. W. S. has put into effect standard weights and rigorously insisted on those standards. The Madura and Ramnad Chamber of Commerce followed this example and called on the merchants to adopt uniform standards.

Attempts have been made to bring into the stores movement different groups and classes of people. The labouring classes in the urban areas who are the worst victims of profiteering were first organised. A Co-operative Stores for the Madura Mills Employees was started on 19-1-40 and its membership is 4,335. It sold goods for Rs. 2,35,600 to its members in the first year. Another stores for the labourers of the Meenakshi Mills has been in existence for some time past and it is doing good work. The scavengers of the Madura Municipality are served by Co-operative Stores by the linking of the National Co-operative Stores with the Municipal Menial Employees' Co-operative Society. The value of provisions supplied to the menials from July 1940 to 31-3-41 was Rs. 17,610. Even the primitive hill tribes of the Palnis Hills have not been left out. The C. W. S. sends provisions in lorries to these remote corners and distributes them through the branches of the Kodaikanal Stores.

Special mention may be made of the issue of one rupee cheques by the Madura-Ramnad Central Co-operative Bank. Credit Societies applying for loans are required to specify in the loan applications the amount required by their members for the purchase of their domestic requirements. This amount is not disbursed in cash but in the shape of one rupee cheques which can be exchanged for provisions in the nearest Co-operative Stores.

Though the progress made by the C. W. S. is encouraging, it has still to make considerable leeway. The total sales for the first year did not exceed Rs. 6,00,000. The paid up share capital is Rs. 25,250 only and it is unable to borrow sufficient funds from the Central Bank to meet its requirements. Several stores are not loyal and from figures available in respect of 37 stores, it is noticed that while they purchased from the C. W. S. to the extent of Rs. 1,51,717, the value of purchases made from other traders is Rs. 1,78,097. Some of the stores made the bulk of their purchases outside. Unless the primary affiliated stores are loyal to the C.W.S the latter cannot balance its budget. It was originally proposed to collect from the affiliated stores ½ per cent. of their total sales to meet the working expenses of the C. W. S. but several stores have protested that this system is not fair.

The problems that have to be solved are :—

(1) How to increase the share capital of the primaries and of the C.W.S. and to regulate the borrowings of the primaries ?

(2) How to regulate the borrowings of the C.W.S. ?

(3) What should be done to make the primary stores buy more and more from the Co-operative Wholesale Stores ?

Of the 86 stores working in the two districts, the share capital is less than Rs. 1000 in 47 stores. In 28 of the stores, the average daily sales is less than Rs. 30. 14 stores have not yet started business. A drive has been launched to increase the capital to Rs. 1000 by admitting new members. In future stores will be registered only if an initial share capital of Rs. 1000 can be collected. The present practice for primary stores is to borrow from the Central Bank by a system of cash credit and also purchase on credit from the C.W.S. It has since been decided to stop this system and in future the primary stores will be indebted to the C.W.S only. The total amount of credit that will be allowed to the primaries will be 3 times the invested share capital in the C.W.S. The advantages of this system will be that the primaries will have no ready cash to make outside purchases and the share capital of the C.W.S. will also increase and therefore its borrowing limit also.

The present cash credit of Rs. 1,20,000 sanctioned by the Bank is not sufficient to meet the requirements of the wholesale stores. It has to maintain normally stock worth Rs. 50,000 for its daily use. The Central Bank is therefore advancing loans on the security of goods placed in its effective custody and has posted a supervisor as a joint custodian.

It is stated that the primaries are not 100 per cent. loyal to the C.W.S. because they get things locally cheaper and that the C.W.S. does not promptly send the goods required by the primaries. To overcome these difficulties arrangements are being made to supply goods direct to the primary stores from places of production or chief marketing centres. It has also been proposed that with a view to enable the stores to get the advantage of cheap reduced railway freight, waggon loads of consignments will be booked direct

to a centrally situated stores to be distributed to the surrounding neighbouring stores. To meet the working expenses and establishment charges of the C.W.S. it has been decided that the C.W.S. shall charge commission on the purchases from it by the primaries and not on the total sales of the primaries. The minimum commission payable by a stores will be Rs. 60 and the maximum will not exceed Rs. 1000.

To increase the income of the C.W.S. it proposes to take agencies of manufacturers and firms. It is getting into touch with leading firms. The C.W.S. is the sole distributor in the Madura and Ramnad districts for Job Co., products.

The C.W.S. has made arrangements with one of the match factories at Sattur to put on the market matches with the emblem of co-operation as trade mark. It is expected that the commission earned by agency business and by the sale of matches will enable the institution to balance the budget.

The Wholesale Stores, is on the whole, a daring experiment. It is the direct result of certain circumstances which made an institution of this type the crying need of the hour. It is a federation and like all federations will be strong or weak according to the measure of support that it receives from the members. If the primary stores will realise this grim fact, the success of the wholesale stores is assured.

News and Notes.

Agricultural Education in Bengal.

In order to make a survey of the existing facilities for agricultural education and research in Bengal and to examine the scope and adequacy of agricultural education imparted in high and middle English Schools, an *ad hoc* committee has been appointed.

Agricultural Research in Bengal.

The Government of Bengal have appointed another *ad hoc* committee to consider the question of seed supply and the establishment of more agricultural stations in the province.

Slow Pace of Industrial Development.

The President of the Association of the Indian Industries, Bombay, while expressing his disappointment at the pace of India's Industrialisation, expressed that excepting for the support in production which some of our industries have received to meet the exclusive requirements of war, there has not been much by way of industrial development particularly in establishing new industries. He said that chemical industry which had great potentialities was a dream while the motor industry continued to remain a pious hope. He also criticised the attitude of the government and that it was in striking contrast with that followed and pursued in some of the Dominions, particularly Canada and Australia where they were proceeding on a planned programme. He, however, expressed the satisfaction at the interest evinced by the Government in the promotion of certain small-scale cottage industries.

Co-operation in South Kanara.

Under the presidentship of Mr. M. Shiva Rao the District Conference of Supervisors was held. Supervisors from all taluks attended. A dormant society was revived and a committee was constituted to see that the society once again worked well. The refresher course of Co-operative Inspectors and Supervisors was also conducted and Mr. Nayanar, Member of the Servants of India Society, addressed them on the development of the co-operative movement in the West Coast.

No freedom without Industrialisation.

Mr. G. D. Naidu of Coimbatore in replying to the civic address given to him by the Salem Municipal Council said that municipal councils should launch schemes or industrialisation of municipal areas and not levy taxes to feed a top-heavy administration to the disadvantage of tax-payers. He said that India could never be free until and unless she was industrially and economically free. He said that education, sanitation and communication were the three main responsibilities of a municipality and said that Government was not helping as much as they should in these things.

Co-operation in Malabar.

Mr. S. A. Venkataraman, I.C.S., Registrar of Co-operative Societies, met the co-operators of Palghat and the neighbourhood and inaugurated the newly registered Produce Sale Society. He said that his department was always ready to give advice and support to such institutions. The need for irrigation schemes for the benefit of the ryots and the making of sugar from palmyra jaggary were placed before him. The Registrar said that big and ambitious schemes should lie over during the war but research experiments might be proceeded with.

Societies for Scheduled Classes.

The Registrar of Co-operative Societies in inaugurating the Erode Rural Co-operative Development Union of the Scheduled Classes said that the Union had been started to provide the scheduled classes in the co-operative societies with some occupations to supplement their income and appealed to the members to make the best use of the Union. He assured that the Government would also help if the Union would work satisfactorily.

Agricultural Planning.

A conference of officers of the Agricultural Department of Salem, North Arcot, Coimbatore and the Nilgiris was held in the Co-operative Rest House, Salem. In opening the Conference, the Deputy Director of Agriculture said that recently the Agricultural Department had prepared a scheme greatly expanding its activities and separate officers had been posted. He said that such conferences between officials of the neighbouring districts would enable them to discuss the details of their work and co-ordinate their plan of work. He also said that such conferences would be held twice a year and appealed to the officers to co-operate and make the scheme a success. Many important papers were read and important discussions on many subjects took place.

Rural uplift activities in N.W.F.

It is understood that a proposal for the formation of District Rural Uplift Co-ordination Committees is now receiving the attention of the Frontier Government. The proposal has emanated from the Co-operative department with a view to securing better co-ordination of activities of the beneficent departments, of the Government, viz., Co-operation, Veterinary and Agriculture. According to the scheme, the District Committees should consist of the Deputy Commissioner and officers of the beneficent departments and a few influential non-official members. A Provincial Board would also be set up with all heads of departments as members and the Secretary of the Development Department as Chairman and schemes approved by the Board would be enforced by the District Committees.

Plea for Marketing Committees.

A resolution requesting the Government to establish marketing committees throughout the Presidency to supply good seed to ryots was passed at a meeting of the Kistna District Ryots' Association.

Rural Development in Bihar.

In a communique the Government of Bihar announce the appointment of a Provincial Rural Development Advisory Board to ensure the more efficient working of the rural development department and to effect economy of effort and expenditure by utilising the combined knowledge and assistance of the different departments concerned. The Board will advise the Government on all matters affecting rural development and will present for the consideration of the Government a concerted and co-ordinated plan of rural development spread over a limited number of years. Mr. E. R. Cousins, Adviser to H. E. the Governor in charge of the Development Department will be the Chairman of the Board which will have on it representatives of the Public Health, Education, Agriculture, Veterinary, Industries, Co-operative, Forests and the Public Works Departments. Rural Development Committees will also be set up to secure closer association of the district officials and public men.

Co-operation in Bihar.

A sum of rupees twenty lakhs out of forty nine lakhs sanctioned by the Provincial Government for a five year expenditure on the rehabilitation of the co-operative movement, it is learnt, is to be spent on the rehabilitation of the thirty nine co-operative banks.

Agricultural and Dairy Production.

The report of the Imperial Dairy Department for the year ending 1940 contains some important features such as substantial increase in agricultural and dairy production of farms, satisfactory number of students attending the courses started at the Institute, an increase in the volume of research in dairying and dairy technology and improvements in the milking stock of the Institute. The Report contains photographs of some of the animals that won prizes at the Indian Cattle Show at Delhi and dairy activities and crops on the farms of the Institute. The Institute worked at a net expenditure of Rs. 1,06,862 during the year.

Reconstruction after the War.

At the first meeting of the Reconstruction Committee recently announced by the Government of India with the Hon. Sir A. Ramaswami Mudaliar, Commerce Member, four sub-committees were set up to deal with post war problems and the personnel of the committees were also selected. It is likely that a fifth committee will be set up to deal with post-war economic problems.

Marketing of U. P.'s Fruit.

Efforts are being made by the Fruit Utilisation Department to find outlets for the large surplus of the United Provinces fruits, such as mangoes, melons, apples etc. With a view to encourage preservation and canning of fruits, the Government last year introduced a scheme for imparting training to a number of students and according to a report 165 students attended the training.

Make use of Land Mortgage Banks.

The Deputy Registrar of Land Mortgage Banks, Chittoor, in addressing a meeting of ryots and business-men at Vayalpad said that the Co-operative Movement was a world-wide movement in which all could take part without distinction of caste, creed or colour. He exhorted them to be honest in their dealings with the Land Mortgage Banks and co-operative societies.

Higher Prices for Graded Articles.

The Monthly Marketing Notes for May 1941 issued by the Agricultural Marketing Adviser to the Government of India states that the graded fruits have fetched a gross premium of Rs. 0-8-8 per maund over the ungraded fruits in the same market. Grading of three varieties of mangoes in East Godavari and Vizagapatam districts has been started and in about a week's time nearly 11,000 mangoes were graded and exported to centres like Cuttack, Raipur and Calcutta.

Marketing of Nellore Rice.

Mr. S.A. Venkataraman, Registrar of Co-operative Societies, in inaugurating the newly registered Nellore Co-operative Marketing Federation, expressed his appreciation that the public were taking a keen interest in the Federation and were coming forward to take shares. He hoped that enthusiasm would steadily grow and contribute to the success of the society. Nellore rice, he said, commanded a wide reputation and if the society was run on sound and proper lines, it was sure to

eliminate the middlemen and thus bring the consumers and producers together to share the profits amongst them. He narrated the successful working of the Tanjore Federation recently started and said that he would take up the question of organising the rice trade of Kistna and Godavari Districts if the Nellore Society were to show signs of success. Much could be done, he continued, by storing, pooling and grading rice and paddy.

Portrait Unveiled.

The Registrar of Co-operative Societies unveiled the portrait of Mr. K. V. Raghavachariar, a former Secretary and President of the District Co-operative Bank, Nellore. Mr. O. Viswanatha Rao gave a brief history of the Bank from its inception and the difficulties Mr. Raghavachariar had to go through before the Bank could gain the confidence of the public.

Help to Handloom Industry.

In opening an emporium of the Madras Provincial Handloom Weavers' Co-operative Society at Salem, Mr. R. M. Sundaram, Collector of Salem, said that Salem was the hub of the handloom weaving industry in the Presidency and of late the problem of saving the weavers had come to the forefront, and hoped that the Thomas Committee would formulate some solution to help the handlooms to survive. He referred to the part played by co-operative societies in ameliorating the condition of weavers and pleaded for more co-operative societies and better marketing facilities for them. He hoped that the emporium would serve to improve the lot of weavers. ●

Grants for Handloom Industry.

The 12th Industries Conference considered subjects of far reaching importance like the war, the industrial situation in India, to the building up of India's trade in Africa, South America, Australia and New Zealand. On the note of the reports on the handloom industry of the various Provincial Governments regarding the working of the existing schemes of subsidy, the Conference recommended for 41-42, for the development of handloom industry, Rs. 68,000 for Madras, Rs. 39,000 for Bombay, Rs. 96,000 for Bengal, Rs. 86,400 for United Provinces, Rs. 45,000 for the Punjab Rs. 45,800 for Bihar, Rs. 24,000 for Central Provinces and Berar Rs. 24,400 for Assam Rs. 12,400 for Sind, Rs. 13,400 for Orissa, Rs. 7,440 for Delhi. It was further decided that the remaining Rs. 36,360 should be distributed *pro rata* according to the ordinary basis on which the recurring grants had been allotted.

Conference of Co-operative Officers.

At a conference of Co-operative officers of U. P. presided over by the Registrar of Co-operative, Societies important decisions were arrived at on the organisation of spinning societies, establishment of Central Marketing Board, and the creation of poultry societies Board for effective working of the societies, the question of exercising effective control and supervision over the work of lady supervisors and the scheme of running various sports competitions.

Publications Received.

The Madras Agricultural Journal—June, 1941.
The Madras Law Journal—No. 1, 2 & 3.
Insurance Herald—No. 11, 12, 13, 14 and 15.
Kotturavu (Tamil)—No. 1 & 2.
Kannadasahakari (Kanarese)—June, 1941.
Sahakara Bandhu ,, —June, 1941.
The Mysore Economic Journal—July, 1941.
The Bombay Labour Gazette—June, 1941.
The South Indian Teacher—July, 1941.
The Mysore Co-operative Journal—April & May 1941.
Parasparasahayi—June 1941.
The Rural India—July, 1941.
The Indian Journal of Economics—April, 1941.
Indian Farming—July, 1941.
Country Herald (Tamil)—June & July, 1941.
The Co-operative News—June, 1941.
The Canadian Co-operator—March, 1941.
The Co-operative Official—April, 1941.
Consumers' Co-operation—April & May, 1941.
The Millgate—May, 1941.
International Labour Review—March, 1941.
Co-operative News Service—No. 5 (1—5—41).
The Journal of Jamaica Agricultural Society—Jan., Feb., March and April 1941.
Co-operation & Market News—No. 5 and 6.
Digest of the Co-operative Press—No. 4.
International Economic News Service—No. 4.
The Agricultural Gazette of New South Wales—June, 1941.
Co-operative Information (I.L.O.)—No. 3.
The Maritime Co-operator—No. 6 and 7.
Agriculture (Journal of the Ministry of Agriculture)—March. 1941.

The rose is fairest when it's budding new, and hope is highest when it dawns from fears; the rose is sweetest washed with morning dew, and love is loveliest when it is embalmed with tears.

—SCOTT.

Reports & Books Received.

1. Annual Report on the working of the Co-operative Societies in Pudukottah State for fasli 1349 (39-40).

2. Twentysixth Annual Report of the Commissioner of Co-operation and Markets for 1940.

3. Annual Report on the working of Co-operative Societies in the H.E.H. the Nizam's Dominions (1348-49 fasli).

4. Annual Report on the working of Co-operative Societies in the United Provinces for the year 1939-40.

5. Annual Report on the working of the Indian Emigration Act, 1922, for the year 1940.

6. Functions and Working of the Reserve Bank of India.

7. Groundnut—Marketing and other allied Problems by Prof. B. V. Narayanaswami Naidu of the Annamalai University.

8. The Influence of Climatological Factors on Cattle (Pamphlet No. 223 of the Department of Agriculture and Forestry). Union of South Africa.

9. The Bush Locust (Pymateus leprosus) in the Eastern Cape Province (Bulletin 208) of the Department of Agriculture and Forestry.

University of Missouri Bulletins.

1. Ulcerative Enteritis in Quail (Research Bulletin No. 325).
2. Variations in Dairy Bull Semen with Respect to its use in Artificial Insemination (Research Bulletin No. 326).
3. Seasonal Variation and Economy of Basic Feeds, 1924–1940 (Bulletin No. 422).
4. The Normal Growth of Chickens (Bulletin No. 423).
5. The Oriental Fruit Moth in Missouri (Bulletin No. 424).
6. Fattening Early Late Lambs (Bulletin No. 425).
7. Combine Harvesters in Missouri (Bulletin No. 426).

"We are what we are by what we have experienced, granted that all experiences are good, and the bitter ones the least of all."

—VOLTAIRE.

Orders and Circulars.

Copy of G. O. No. 2114, Dev., dated 16th September 1937.

Co-operative Societies—Handloom Weavers' Provincial Society—Fabrics produced by—Government Servants advised to encourage purchase of.

Order No. 2114, Dev., dated 16th September 1937.

The President of the Madras Handloom Weavers' Provincial Co-operative Society has approached Government with a request to help the Society by advising Government Servants to purchase the handloom fabrics prepared by the constituents of this society and offered for sale by it. The society was started in April 1935 with the object of developing the handloom weaving industry and improving the economic condition of the weavers of the Presidency. It is receiving a subvention from the Government of India for a period of five years. It has opened an emporium at Madras and sale depots at Bezwada, Bellary, Calicut and Madura, and is trying to find a regular sale for its products. The Government consider the President's proposal worthy of their support. Heads of Departments are requested to bring the appeal of the President of the society to the notice of their subordinates.

Copy of G.O. No. 2368, Dev., dated 5th October 1940.

Co-operative Societies—Weavers' Societies—Encouragement of—Use of Handloom cloths for Government requirements—Instructions issued.

The Madras Handloom Weavers' Provincial Co-operative Society, Limited, was started in 1935 with the object of marketing the products of its affiliated primary weavers' societies and for developing the handloom industry. It receives a subvention from the Government of India to carry on its operations. The Registrar of Co-operative Societies has brought to the notice of the Government that the societies will be able to supply the following varieties of handloom cloths :—

(i) Khaki plain,

(ii) Khaki twill,

(iii) Khaki and white drills and coatings, and

(iv) Bed-sheets.

To assist these societies in marketing their goods, the Registrar of Co-operative Societies has suggested that the consuming departments of the Government may purchase at least a part of their requirements of cloth from the Madras Handloom Weavers' Provincial Co-operative Society.

2. In G.O. No. 1472, Home, dated 28th March 1940, the Government directed that when orders for the supply of textile articles came in from consuming departments of the Government with which the Jail department could not comply in reasonable time and with goods of adequate quality the

Superintendent of the Jail should immediately inform the indenting departments accordingly, so that the department concerned might make other arrangements. The Government now direct that in these cases in which the Jail department is unable to supply the consuming departments should place their orders for the textile goods with the Madras Handloom Weavers' Provincial Co-operative Society.

3. When the Madras Handloom Weavers' Provincial Co-operative Society cannot comply with such orders and supply goods of the required quality within the time prescribed, the society should immediately inform the indenting department accordingly, so that the department may make other arrangements.

4. These orders do not apply to the Government Press, except in respect of two varieties of cloth. The Superintendent, to whom samples of cloth produced by the Weavers' Societies were sent for opinion, has stated that samples 20 (Uravakonda duster cloth 10½" white 34" width—unbleached) and 23 (36"×26" matty cloth width 29½") can be substituted for long cloth (bleached and unbleached) for binding purposes. The Superintendent may place orders for these two fabrics with the Madras Handloom Weavers' Provincial Co-operative Society, subject to the conditions mentioned in paragraph 2 and 3 above.

Amendment to rule XII (a) under the Madras Co-operative Societies Act.

Fort St. George, May 26, 1941 (*G. O. No.* 974, *Development*).

AMENDMENT.

In sub-rule (*a*) of rule XII of the said rules, after the first sentence, the following sentence shall be inserted, namely :—

" In a financing bank with shares and limited liability, however, not less than one-third of the net profits shall be carried to the reserve fund until the total of the reserve fund and the other reserves of the bank equals the paid-up share capital of the members held by it and thereafter not less than one-quarter of the net profits shall be so carried."

G. O. No. 745, Development, dated 16th April, 1941.

The following suggestions were made at the Collectors' Conference held on 24th January 1941 in connexion with the discussions on the subject of co-operation between the Agricultural department and the Collectors :—

(1) That an Assistant Director of Agriculture should be appointed for each district to enable that officer to be in close contact with the Collector ;

(2) that a committee should be appointed in each taluk consisting of the tahsildar, the minor irrigation overseer and the agricul-

tural demonstrator to report to the Collector on the extent of damage, etc., caused by soil erosion ;

(3) that each Collector should be provided with a discretionary grant of Rs. 500 each year to be spent on the award of prizes and rewards to non-officials in recognition of the help rendered by them to the Agricultural department in its propaganda work ;

(4) that village officers should maintain separate statistics relating to areas under improved strains of crops such as Co. 2 cotton and paddy strains ;

(5) that tahsildars and village officers should be required to render to the agricultural demonstrators the necessary assistance in their dealings with the ryots ;

(6) that the tahsildars and the revenue inspectors concerned should be supplied with information regarding the work on improved strains, etc., that is being done in each taluk ;

(7) that the Collectors should encourage Assistant Directors of Agriculture to meet them more freely and discuss agricultural matters ; and

(8) that the officers of the Revenue and Agricultural departments should bring to the notice of the ryots the evil effects of soil erosion.

2. His Excellency the Governor has considered these suggestions and is pleased to issue the following orders :—

(*i*) *Suggestion* (1).—The Government have decided that each district should have an Assistant Director of Agriculture to be designated District Agricultural Officer. Orders in that regard have been issued separately.

(*ii*) *Suggestions* (2) to (5).—These are under the consideration of the Government separately.

(*iii*) *Suggestion* (6).—This suggestion is accepted. The Director of Agriculture is requested to see—

(*a*) that the registers of the agricultural demonstrators, giving an account of the work already done that in progress and that chalked out for the future, are sent to the tahsildars concerned for perusal at fixed intervals ;

(*b*) that agricultural demonstrators meet the tahsildars concerned at least once a month and keep them informed of the works of agricultural improvement undertaken by them in the taluk ; and

(*c*) that agricultural demonstrators communicate copies of their tour programmes to the tahsildars and the revenue inspectors concerned.

(*iv*) *Suggestion* (7).—As the orders referred to in item (1) above make the Collector and the District Agricultural Officer responsible for the agricultural programme of each district, the District Agricultural Officer will necessarily have to meet the Collector more frequently than has been customary in the past. No further action on the part of the Government is therefore necessary with reference to this suggestion.

(*v*) *Suggestion* (8).—In an article published in the Villagers' Guide and Calendar for 1941, attention has been specially drawn to the dangers of soil erosion and suggestions have been made as to the preventive measures to be adopted. The Government have also ordered in G. O. Ms. No. 2191, development, dated 14th September 1940, that very active efforts should be made by the Agricultural department with the co-operation of the Revenue department to bring home to the ryots the loss which the latter are sustaining by soil erosion and to induce them to put far more labour than they have been accustomed to do in the past into embankments and revetments and, where it is practicable, in terracing in order to minimize erosion. To bring home the dangers of soil erosion to the rural population, the Director of Agriculture is requested to broadcast occasionally a talk on the subject and the measures to be adopted to prevent it.

Draft Amendments to the rules under the Madras Co-operative Societies Act.

G. O. No. Ms. 1195, Development, July 3, 1941.

The following draft amendment to the rules published with Development Department Notification No. 264, dated 1st August 1933, at pages 1178 to 1185 of Part I of the *Fort St. George Gazette*, dated the 1st August 1933, as subsequently amended, which it is proposed to make in exercise of the powers conferred by sub-sections (1) and (2) of section 65 of the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932) is hereby published as required by sub-section (3) of the said section for the information of all persons likely to be affected thereby.

Notice is hereby given that the draft will be taken into consideration on or after the 10th September 1941 and that any objection or suggestion which may be received with respect thereto from any person before the aforesaid date will be considered by the Government of Madras.

DRAFT AMENDMENT.

After rule VIII of the said rules, the following rule shall be inserted, namely :—

"VIII-A (1) No financing bank or credit society other than a land mortgage bank shall grant loans to its members for periods exceeding three years."

(2) The Registrar shall have power to fix by a special or a general order in writing how much of the maximum lending limit of a financing bank or a credit society other than a land mortgage bank shall be made available for the grant of short-term loans and medium-term loans.

Explanation. In this sub-rule, the term 'a short-term loan' means a loan repayable from the sale proceeds of the next harvest as soon as they are realised or within one year from the date of grant of the loan, whichever period is shorter, and the term 'a medium-term loan' means a loan repayable after one year but within three years from the date of grant of the loan."

(Explanatory note on draft new rule VIII-A.)

The Committee on Co-operation in Madras, 1939-40, has recommended that the Madras Provincial Co-operative Bank, Central Banks and Primary Credit Societies should confine their operations to short-term and medium-term loans and that the latter type of loans may run normally for five years, in exceptional cases from five to seven years and in no case should they extend beyond seven years. The Reserve Bank of India and the XIII Conference of Registrars of Co-operative Societies have, however, suggested that the period of medium-term loans should not exceed three years. The governing consideration in the grant of medium-term loans should be whether Central Banks command an adequate supply of medium-term and long-term resources The resource position on 30th June 1940, was found to be unsatisfactory in as many as eighteen Central Banks. It is therefore necessary to ensure in the interest of sound banking methods that Central Banks restrict, if not stop altogether, the grant of medium-term loans to societies for such time as may be necessary to secure a proper adjustment of their medium and long-term resources and investments. In Bengal, a notable step was recently taken for the reconstruction of the credit movement by restricting the functions of Central Banks and agricultural credit societies to the supply of only short-term crop loans for a period not exceeding one year. Now that investments in Central Banks of funds of local bodies are allowed only for periods up to three years, one of the main sources of deposits for over three years is no longer available and it will be only proper that Central Banks should restrict their medium-term loans to a maximum period of three years. Experience has shown that the steps so far taken to check the tendency to issue medium-term loans beyond safe limit have not been quite effective. It is therefore considered that unless a restriction is imposed by means of a statutory provision, it will not be possible to achieve the object in view. The draft new rule VIII-A. published is intended statutorily to limit the maximum period of loans granted by a financing bank or a credit society other than a land mortgage bank to three years and to empower the Registrar to apportion the maximum lending limit of a Central Bank or a society between short-term and medium-term loans.

List of Societies Registered in June 1941.

S. No.	Name of Society.	District.
1	The Narasannapeta Board High School Students' Co-operative Stores Ltd. ...	Vizagapatam
2	,, Sri Sai Baba Municipal Elementary School Teachers' Co-operative Society Ltd. ...	,,
3	,, Nagayalanka Agnikula Kshatriya Co-operative Society	Kistna
4	,, Guntur Public Servants' Co-operative Stores Ltd....	Guntur
5	,, Pidaparthipalin Tenants' Co-operative Society ...	,,
6	,, Dantalur Nimmajathiya Co-op. Tenants' Society ...	,,
7	,, Vaikunthapuram K. C. M. Tenants' Co-operative Society	,,
8	,, Vennur Co-operative Credit Society ...	Nellore
9	,, Madavaram Co-operative Credit Society ...	,,
10	,, Gouravaram Co-operative Labour Contract Society Ltd.	,,
11	,, Pollithota Co-operative Credit Society ...	,,
12	,, Tallur Co-operative Credit Society ...	,,
13	,, Kovvur Loan and Sale Co-operative Society Ltd. ...	,,
14	,, Kanuparthipad Co-operative Loan and Sale Society Ltd.	,,
15	,, Nellore Co-operative Marketing Federation Ltd. ...	,,
16	,, Sree Rama Co-operative Labour Society Ltd. ...	,,
17	,, Devapatla Jaggery Manufacturing Co-operative Society Ltd.	Cuddappah
18	,, Ponneri Co-operative Stores Ltd.	Chingleput
19	,, Uttiramerur Co-operative Stores Ltd. ...	,,
20	,, Perambakkam Co-operative Stores Ltd. ...	,,
21	,, Erode Rural Development Co-operative Union Ltd.	Coimbatore
22	,, Coimbatore Co-operative Institute Ltd. ...	,,
23	,, Kodaikanal Co-operative Building Society ...	Madura

List of Societies Cancelled during May 1941.

S. No.	Name of Society.	District.	Date of Cancellation of Registration.
1	Regadagudur Christian C. S. ...	Kurnool ...	5-5-41
2	Madugula ...	do ...	do
3	Lakshmipuram Cheri C. S. ...	Chingleput ...	19-5-41
4	Simili ...	Tanjore ...	do
5	Badvel Adi Andhra C. S. ...	Cuddappah ...	do
6	Sringavarapukota Public servants Co-operative Society ...	Vizagapatam ...	23-5-41
7	Takkolam Co-operative Irrigation Society Ltd. ...	N. Arcot ...	24-5-41
8	Sriperumbudur C. S. ...	Chingleput ...	do
9	Kilnatham F. L. C. S. ...	South Arcot ...	do
10	Palangar ...	do ...	do
11	Mathapalli ...	North Arcot ...	do
12	Pulicat Fishermen ...	Chingleput ...	28-5-41
13	Paparambakkam ...	do ...	do
14	Aduthurai ...	Tanjore ...	do
15	Hanumanthapuram Land Reclamation C. S. ...	do ...	do
16	Shermadevi St. Joseph Catholic C. S. ...	Tinnevelly ...	do
17	Kaliyavoor ...	do ...	do
18	Thuthipattu ...	North Arcot ...	do
19	Khajigudem Adi Andhra C. S. ...	W. Godavari ...	do
20	Munipalli C. S. ...	Guntur ...	do
21	Melmungiladi F. L. C. S. ...	South Arcot ...	do
22	Killaithaikal F. L. C. S. ...	do ...	do
23	Ponneri F. L. C. S. ...	do ...	do
24	Ko-Adhanur C. S. ...	do ...	do
25	Vizianagaram Fruit Growers Co-operative Industrial and Credit Society Ltd. ...	do ...	31-5-41

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