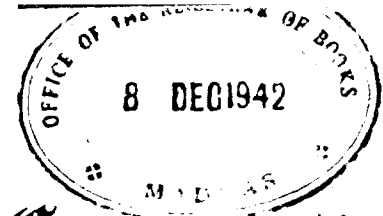


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THE
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EACH FOR ALL, AND ALL FOR EACH

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Editorial Notes.

Employees' Societies:

The practice of accepting and honouring an agreement arrived at between the borrowing members of employees' societies and their societies in respect of deductions from salaries towards the instalments due seems to have been assailed by our legal *Pandits*. The Government of Bombay have been forced to introduce a Bill amending the Bombay Co-operative Societies Act, 1925, legalising the practice. We reproduce below the relevant clauses and the statement of objects and reasons. Though well known all over for our cleverness in indulging in legal quibbles, somehow so far no difficulties have been raised in this regard in our presidency. However, to be forewarned is to be fore-armed. We have no doubt the Madras Government will have this matter carefully examined and if necessary amend the Madras Co-operative Societies Act. In this presidency also, employees' societies have been rendering most useful service and their

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usefulness should not be jeopardised by declaring even agreed deductions as illegal exactions.

The relevant portions of the Bombay Bill are:

- "24 A. (1) A member of a society may execute an agreement in favour of the society providing that his employer shall be competent to deduct from the salary or wages payable to him by the employer such amount as may be specified in the agreement and to pay the amount so deducted to the society in satisfaction of any debt or other demand owing by the member to the society.
- (2) On the execution of such agreement the employer shall, if so required by the society by a requisition in writing and so long as such debt or demand or any part of it remains unpaid, make the deduction in accordance with the agreement and pay the amount so deducted to the society.
- (3) The provisions of this section shall also apply to all such agreements of the nature referred to in sub-section (1) as were in force on the date of the commencement of the Bombay Co-operative Societies (Amendment) Act, 1942.
- (4) Nothing contained in this section shall apply to persons employed in Federal railways (within the meaning of the Government of India Act, 1935), mines and oil-fields."

Statement.

It has, for many years, been the practice for members taking loans from salary-earners' co-operative societies to sign an agreement authorising the officer disbursing the salary to deduct from it the amount of instalment due on the loan and to remit the amount deducted to the society. It is also usual, by the same agreement, to undertake not to revoke the authority thus given so long as any part of the loan and interest thereon remain unpaid.

2. Government is now advised that the practice described above is not legal. It is necessary that this position should be remedied at once as salary-earners' societies have been rendering most useful service and their existence will be seriously jeopardised in the absence of legal protection to their operations. This Amending Act seeks to carry out this object.

At present in our presidency recovery of dues from the pay of members as per agreements in pursuance of by-laws is effected by the pay disbursing officers both in respect of members of Public Servants' Societies and the Societies for the employees of local boards and municipalities. The Government have also kindly permitted such recovery. So far no question of legality has been raised against the

practice. We are not aware of the practice prevailing in respect of other employees' societies.

However, if legislation is deemed necessary, we would venture to suggest that a clause may be added by which it is made obligatory on the part of the lending society to file a copy of the agreement with the employer and that the employer shall return the agreement to the employee with a certificate of discharge as soon as the whole debt and interest thereon are repaid.

Handloom Industry.

Once again the handloom industry is passing through a crisis owing to the steep rise in the prices of yarns. It is said the recent rise in the prices has beaten all past records. Time and again it has been urged and we have lent our support, that the question of controlling yarn prices and that of distribution of yarn to the handloom weavers at reasonable prices should be seriously tackled. But the Government of India instead chose to appoint a Fact Finding Committee. What the facts found out are and to what conclusions those facts have led the Committee and the Government, we do not know. The licensing of dealers of yarn alone without price control will not produce the necessary effect. All that the Yarn Controller can do at present is to advise the trader not to indulge in speculation and profiteering. If any section of the trade had been amenable to advice, there would not have arisen the need for Controllers, Control Orders, penal provisions etc. So the Government must face facts as they are, however inconvenient they may be, and should not hesitate to take prompt measures in the interests both of producers and consumers.

It is reported that the quantity of yarn which mills can spare after satisfying their own requirements is about 400 million lbs. The needs of the Supply Department must necessarily receive priority and they consume about 120 million lbs. The handloom industry requires at least 450 million lbs. of yarn and so the balance of 280 million lbs. available is hardly enough, even to keep the looms busy part-time. Instead of conserving even this small quantity, it is a pity exports of yarns, even though to allied countries, are being permitted. Fall in production due to the closure of mills in Ahmedabad and other places is also having its repercussions on the yarn market. Knowing all these factors are at work, which are sure to push up prices, the Government should have taken measures of price control

to prevent speculation and profiteering especially as there has not been any corresponding increase in the price of raw cotton or production charges or both. This utter disregard of the interests of an industry which is next in importance to agriculture is only possible and tolerated in a country like India.

Prices of Textiles.

For long the handloom weaver has been leading a hand to mouth existence. Owing to the incapacity of the mills to produce all the cloth required for internal consumption and the exports to nearby countries, there has been abnormal rise in the prices of textile goods. However much we may deplore this from the point of view of consumers, whose incomes have not kept pace with the rise in the cost of living, better days have dawned for the handloom industry whose goods are also in great demand. The scope for rehabilitating the handloom industry, taking advantage of the situation created by the war, is very great. But the artificial rise in the prices of yarn without any reference to factors affecting the cost of production and inadequate supply are placing the industry at a great disadvantage. Even the increase in the prices of cloth is not commensurate with the increase in the prices of yarns. As the handloom industry is rendering essential service in providing quantities of cloth required for internal consumption, the Government ought to come forward to protect it from further exploitation. Then again the consumers are put to great difficulties especially as the rise in their incomes is not sufficient to meet the increased cost of living. Food and clothing are two essential requisites of the community. In assuring adequate supplies of these at reasonable cost, the Government would help to keep up the morale of the population so very essential for the successful prosecution of the war. All the resources at the disposal of the Government should be freely utilised to achieve this necessary purpose. It has been suggested that the production and sale of standard cloth would to a great extent satisfy the needs of the consumers. Though this project has been in the air, nothing tangible has resulted so far. There have been interminable discussions for over a year now and still the problem remains as acute as ever. It is understood that according to figures available, nearly nine crores of Indians will be going naked if the average cloth requirements are not satisfied. We will soon be in the grip of another winter. Is the delay because some vested interests are opposed to the scheme? It is said the cotton mills have been reaping huge profits but the bulk of them are

eaten away by the excess profits tax which appears to be nearly two-thirds of the profits earned. While the dividend is only Rs. 14 per share the temptation of this revenue seems to be responsible for exclusion of cloth prices from the price control scheme. Both in the case of yarn prices and the production of standard cloth, the Government should take courage to launch out their schemes without too much regard for vested interests or their revenue. The general interests of the community are certainly more important than those of any section, however important and vocal such a section may be. We earnestly plead for action and that too immediately and save the situation, which, if allowed to become worse, may seriously impair the efficiency of the community and thereby cause deterioration of the morale of the people. We have had too many meetings and conferences; time for decision and action is long overdue. Questions relating to feeding and clothing of common people cannot brook such intolerable delay.

Supplies by Primary Stores.

We are grateful to Government for showing increasing recognition of wholesale and primary co-operative stores in regard to distribution of essential commodities. In the September issue of the *Journal*, we had occasion to refer to the amendment to the Madras Sugar Dealers' Licensing Order, 1942, treating a co-operative society as a *bona-fide* dealer in regard to sugar. The *Fort St. George Gazette* dated November, 10, accords similar recognition in respect of kerosene also. In the City of Madras, coupons are being issued to householders by the Collector of Madras and on presentation at the depots of dealers who are agents of the oil company rationed quantity of kerosene is issued. By the amendment referred to, the T.U.C.S., also can come into the arrangement for distribution of kerosene and its various branches and depots can cater to the needs of its members and non-members subject to such conditions as the Collector of Madras may impose. We have no doubt the Collector of Madras, who knows and appreciates the work of the T.U.C.S., will gladly grant the exemption and treat the T.U.C.S., as a *bona-fide* dealer. The Collectors of the districts, we have every hope, will accord similar recognition to co-operative stores and thus enable them to serve the community. We will not be indulging in vain hope if we venture to state that ere long co-operative organisations will come to be recognised as the main distributive agencies in respect of all essential articles and they will be given the necessary facilities for

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the purpose. There can be no gainsaying the fact that they are eminently fitted to play the role of 'fair price shops' recommended by the last Price Control Conference.

Non-official co-operative employees.

Owing to the courtesy of the Registrar of Co-operative Societies, we have been enabled to peruse the special by-laws suggested by the department relating to service conditions of non-official co-operative employees. We have also since received reprints of the same from the Provincial Bank. It will be remembered the Committee on Co-operation recommended incorporation of rules regarding service conditions in by-laws of societies and also indicated the general features of service conditions. To examine how far the Registrar has given effect to the suggestions, we produce below the relevant paragraph, though lengthy, in the Committee's Report.

Para. 424. We suggest that in the rules to be framed, provision should be made for the following among other things :—

- (a) Minimum educational and technical qualifications required for employees of different classes of societies and of grades of employees should be prescribed.
- (b) An age-limit for entrance into service and for retirement should be fixed. We think that an entrant should not normally be above 30 years and that the age of retirement might be fixed at 55.
- (c) The rule should fix the scales of pay of different grades of employees and lay down the procedure for the promotion from one grade to another.

We understand that there is no method followed in the fixation of initial pay or grant of increments or promotion of employees from one post to another. We think that the present unsatisfactory state of affairs should be remedied by suitable provision being made in this behalf.

It was urged before us that a tribunal should be constituted consisting of representatives of employees and employers and that it should be empowered to fix the scales of pay of the members of the establishment of each type of co-operative institution. We do not think this is either possible or desirable. Co-operative institutions are autonomous bodies, and they cannot surrender their power of appointment and control of their paid staff by entrusting them to an outside body. Each institution is responsible for its administration and should decide the scales of pay and other matters with reference to the conditions of its working and financial resources. While we concede that the condition of service should be definite and give reasonable protection to employees we cannot see

our way to recommend a complete surrender of the powers of the executive management of co-operative institutions to an outside authority, whatever may be its composition.

- (d) Provision should be made for the made of discharge and re-employment of employees in case of retrenchment.
- (e) Provision should be made for the grant of casual, privilege or medical leave more or less on the lines applicable to local board employees.
- f) We understand that at present there is no definite procedure prescribed before disciplinary action is taken. We recommend that the procedure should be laid down and that it should include framing of charges, an enquiry being held in the presence of the accused, who should have an opportunity of cross-examining the witnesses against him and of producing evidence in his defence.

Here again, a suggestion has been made for the constitution of a tribunal to discharge the functions of an appellate body in respect of appeals preferred by employees against punishments awarded by the competent authorities of the institutions concerned. The interference of an outside body in disciplinary matters is not conducive to the proper administration of co-operative institutions and is opposed to their democratic constitution. We cannot support the suggestion.

- (g) We consider that an up to date record of services and conduct sheets of every employee should be maintained as in the case of Government servants and employees of local bodies, and the head of the institution concerned should be made responsible for their correct maintenance.
- (h) We suggest that central banks and big urban banks should, in so far as their financial resources permit, institute schemes of contributory provident fund in the interests of their employees.

It appears to us necessary that rules should be framed to regulate the personal conduct of employees of co-operative institutions. They should be forbidden from taking part in or subscribing to any electioneering party organization either by canvassing or by influencing in any way elections to co-operative institutions, local boards or legislative bodies. They should not engage in the promotion, registration or management of any bank, company or trade or undertake employment other than their duties. The rules should also prohibit them from having any pecuniary transactions with individuals or institutions coming in contact with them in the course of their duties, and from accepting directly or indirectly any gift, gratuity or reward from any person with whom they are concerned in the performance of their work. They should submit to the head of the institution in which they are employed an annual statement of immovable property owned or acquired

by them or on their behalf or on behalf of their near relatives in a prescribed form.

We are thankful to the Registrar for the trouble he has taken to frame the by-laws and it is hoped co-operative organisations will lose no time in adopting them without any modifications. However, we feel some method must be found by rule under the Act to make it obligatory on the part of at least certain classes of co-operative institutions to embody these by-laws. In this view we are supported by the observation of the Committee on Co-operation who state, "We suggest that these rules should, in the first instance, be enforced in all Central Banks and limited liability societies (including urban banks and land mortgage banks) whose loan transactions amount to Rs. 25,000 and above." On the details of the proposed by-laws we await reactions to deal with them at some length.

Uplift of the Aborigines :

We are gratified to learn that the Board of Revenue has published a report on "The Material Condition and Progress of the Aboriginal Tribes and Backward Communities" for 1941-42. We trust this report will become an annual feature. The Government are aware that the hill tribes are the victims of a malignant type of malaria, that the facilities for medical relief are insufficient, that they are ignorant and illiterate and can be easily duped by the more prosperous from the plains, that they are 'born in debt, live in debt and die in debt', that the beneficent provisions of Statutes such as the Agriculturists' Relief Act are in the hill tracts "more honoured in breach than observance," that communications are very inadequate or in certain places none at all, and that there is ample scope for the development of the economic resources which while bringing in additional revenue into the coffers of the State would also assist in the economic development of the hill tribes. We have no doubt the detailed information which the Government have now obtained will enable them to formulate a forward policy and carry it through without observing 'wait and see' any more. The interests of inhabitants of these tracts form part of the special responsibilities of His Excellency, who, we trust, will be graciously pleased to give his personal attention to this matter so that when the time for rendering an account of his stewardship comes, he could have the satisfaction of saying that "something attempted, something done."

We are particularly pleased to learn that almost all Collectors emphasise the importance of co-operative societies for providing cheap credit, finding market for the produce of hillmen without the intervention of intermediaries who exploit them now and for organising joint labour for work under the Forest Department such as the clearing of fuel coupes. We await with interest the proposals of Government for the economic and social uplift of hillmen and the steps they would undertake to execute them.

Reform of Co-operative Institute and Supervising Agencies in Bombay.

BY G. SRINIVASA RAGHAVACHARI.

Before discussing the new constitution, it is desirable to state what exactly are the several functions to be performed towards the furtherance of the co-operative movement. Briefly put they are:—

- (a) Education of the people as to the aims and objects of the movement, the types of societies to be started for carrying out those aims and objects and the pitfalls and dangers to be guarded against;
- (b) The training of suitable workers therefor;
- (c) Organisation of societies themselves;
- (d) Supervision of the societies started in order to see that they maintain the necessary accounts and registers correctly and that they work strictly in accordance with the letter and spirit of the by-laws, and
- (e) Audit.

Of these five functions, items (c) and (e) are now being performed by Government agency; and this may continue. Items (a) and (b) can be attended to only by trained men with high educational qualifications, who have made a thorough study of the co-operative movement in various countries and also in our country, while item (d) can be performed, under proper guidance, by men of less educational qualifications who have undergone the necessary training for the performance of duties expected of them.

Bombay Scheme.

2. The Bombay Government propose to have functions (a) and (b) performed by the Provincial Co-operative Institute and item (d) by the District Boards of Supervision and Local Supervising Unions. Under the new constitution, these three institutions, more or less, correspond respectively to the Madras Provincial Co-operative Union, the District Co-operative Federations which were smothered to death at the instance of local supervising unions which did not brook the interference by any outside body with their powers of supervision, and the local supervising unions which have either died or are deteriorating to death. I am afraid that, unless conditions in Bombay should be quite different, these institutions may prove no better than their brethren in Madras.

Causes of failure in Madras.

3. Before suggesting modifications or improvements, it is perhaps better to examine the causes of failure of the institutions in

Madras. It is a notorious fact that, on account of the limit placed on individual borrowings, the inevitable delay and trouble in the matter of getting loans and the better facilities afforded by the increasing number of Joint Stock Companies and Nidhis operating at close quarters, solvent people in villages, with repaying capacity, no longer care to join co-operative societies and those that had joined or been brought into them in the earlier years of the Movement have gradually gone out. Those that now remain in or are anxious to join them generally happen to be either those who had exhausted their credit in their own village and in the neighbourhood or others who want to use the society as a stepping stone to catch influential positions in the higher rungs of the co-operative ladder to gain their selfish ends in all or any of the directions specified in the Minute of Dissent of Mr. T. A. Ramalingam Chettiar appended to the last Co-operative Committee's Report. As rightly remarked by Mr. H. Perineedu Choudary in his article in the *Madras Journal of Co-operation* for June, the Movement has been captured and governed by a few undesirables whose removal is an impossible task. It is from the ranks of these undesirables that delegates to supervising unions, district financing banks and the Provincial Bank as also members of their Boards of Management come, mostly if not wholly to be elected; and these people generally take care to see that loans recommended by the institutions they represent are sanctioned, whether such sanction is deserved or not, and that necessary and timely steps are not taken towards the recovery of such loans or the rectification of defects and irregularities noticed in their institutions. So far as supervising unions are concerned, their panchayatdars or office-bearers have generally neither the capacity nor the leisure to control or guide the supervisors, nor are they able to exercise any influence over the panchayats of affiliated societies who resent any interference from a body which, in their opinion, is no better than their own. The result is that, in backward localities, supervisors happen to be the masters of the union, while, in other places, they are the subservient and acquiescing servants of the union, unable to discharge their duties without fear or favour. These unions, no doubt, worked fairly well for a time; but that was during the period when they had the help and guidance of intelligent and experienced urban co-operators who had the opportunity of serving in the unions as delegates from Urban Banks and other limited liability societies. But with the creation of audit unions and levy of audit fees, which resulted in almost all urban institutions going out of the union, the unions lost

all intelligent help and guidance and deteriorated to a hopeless condition just as we see them to-day. The Government are not unaware of the rot that had set in and are therefore scrapping the unions one by one without however adopting any bold or definite policy.

Remedies Suggested.

4. As rightly remarked by an eminent co-operator, our co-operative institutions, from the top to the bottom, have turned out to be more or less mutual accommodation bodies, and unless and until the undesirables are weeded out of them and their re-entry prevented, there is little chance of the Movement progressing or being prevented from collapse. There are, no doubt, a few genuine co-operators here and there, but they are generally unable to make themselves useful or are unwilling to do so for fear of being shunted out of their places. My proposals therefore are :—

(1) Scrap supervising unions completely and transfer the work of supervision to financing banks which, in their own interests, are bound to see to the proper working of their affiliated societies and also to their development by taking all measures possible. It may be noted that such transfers, wherever they have been made, are proving a success. For the purpose of propaganda and conducting training classes for panchayatdars of societies and to deal with specially bad societies, a few well qualified inspectors may be appointed by the Banks.

(2) To enable financing banks to perform their duties without fear or favour and exercise proper control over affiliated societies and supervising agencies, members of the Boards of Management of the affiliated societies must be made ineligible to become or continue to be on the Board of Management of financing banks. Similarly, as suggested by one of the former Registrars in an administration report of his, persons connected with local and legislative bodies should be shut out, as it is impossible for them not to import their policies into the administration of banks. These gentlemen may, very well, be left to attend to their duties in these bodies, a proper performance of which must occupy all their time and energy. There is no danger of the institutions not getting proper men, as there should be sufficient number forthcoming amongst the remaining members of societies and Urban Banks, including many who had previously served as panchayatdars.

(3) So far as the Provincial Union is concerned, its duty need not, as was in Madras sometime ago, extend to multifarious activities

but may be restricted, as in Bombay, to the education and training of paid and honorary co-operative workers by means of organising and conducting training classes and publishing co-operative journals in English and languages and to be a focussing centre of non-official opinion on co-operative matters. For performing these functions a compact body on the lines suggested below may suffice.

(a) Presidents of the Madras Provincial Bank and the Central Land Mortgage Bank to be *ex-officio* members.

(b) Representatives of moffusil Land Mortgage Banks except Malabar and South Kanara—three for each linguistic area—and *ditto* Malabar and South Kanara—one for each district.

(c) Representatives of District Banks except Malabar and South Kanara—three for each linguistic area—and *ditto* for Malabar and South Kanara—one for each district.

(d) Representatives of Urban Banks except Malabar and South Kanara—two for each linguistic area—*ditto* for Malabar and South Kanara—one for each district.

(e) Representatives of non-credit societies except Malabar and South Kanara—two for each linguistic area—*ditto* for Malabar and South Kanara—one for each district.

(f) Distinguished co-operators—co-opted 7.

To secure the services of best men, representatives of (b) and (c) may be caused to be elected at the annual general body meeting of the Central Land Mortgage Bank and the Provincial Bank respectively from amongst the members of their general body and of (d) and (e) by means of postal voting.

The necessary finance for running the Provincial Union can be secured by means of suitable contributions leviable from all Land Mortgage Banks and financing banks including Provincial ones, Urban Banks and other limited liability societies of the province.

5. I am aware that the above suggestions, drastic as they are, are likely to meet with opposition from several quarters, but I am sure they will appeal to persons who are genuinely interested in the co-operative movement and also to Government whose duty is to see that the Movement is progressing on sound and right lines. The institutions themselves cannot, as they are now constituted, be expected to adopt all or any of the suggestions *suo motto* by making suitable amendments to their by-laws. But Government, by the exercise of their rule-making powers, can enforce their adoption.

6. It must, however, be noted that the reforms suggested above will only serve to improve the present state of things, but if the Movement is really to succeed, they must be followed by a thorough revision of our Land Revenue policy, which will leave enough margin to our agriculturists and by introduction of such other measures calculated to improve their repaying capacity.

Firewood Problem in Madura City.

BY DR. E. S. RAMASUBBU, Madura.

About this time last year the prices of firewood showed a marked tendency to increase along with other articles of foodstuffs. The usual sufficient quantity is available. The City of Madura consumes more than 90,000 tons of firewood annually. Half the quantity is supplied from the neighbouring estate areas and the other half from the Government Forest Reserves. The revenue fetched by auction sale of coupes in 1942-43 is Rs. 1,00,400. The cost of firewood at the coupe spot ranges about Rs. 2 per ton. The contractors fell, cut the trees, and despatch as firewood to Madura for sale through commission agents. The commission agents at Madura in their rivalry to please the contractors and thus snatch the custom of supply from them, sell the consignments to the highest bidder among the retail depot keepers at Madura. Thus the firewood trade in Madura is becoming an affair of speculation in recent years.

The Co-operators of Madura under the guidance of the then Registrar Mr. S.A. Venkataraman, I.C.S., and the local Deputy Registrar Sri K. Sarvothama Rao, M.A., set out to start a Firewood Stores in the City by raising the requisite share capital. There was overwhelming support from all quarters. The co-operation of the Forest Department was sought for. A sincere request was made to stop the annual auction sale of the coupes and to lease out the same to the firewood stores for a reasonable amount based on the average of the revenue fetched during the last five years. The Forest Department did not come to the aid of the co-operators. The usual annual auction was held in February 1942. The Firewood Stores started but could not do anything to solve the difficulty.

Unhampered, unjust profiteering is going on. The main reason for this abnormal increase is the strangle-hold which the middlemen has on both the producer and the consumer. In their refusal to sell stocks they create an artificial shortage. The public are gradually persuaded to disregard price control and pay what is demanded of them or Government will be forced to raise the control. The National War Front might well concern itself with this aspect of profiteering. Reliable information about stocks is essential to counter shortage propaganda. If the public knows that the merchants are lying when they blame the authorities for lack of supplies a very potent cause of

discontent can be removed. It is up to us to revise our ideas as well as our laws in dealing with the profiteer.

A memorial was submitted to the Government requesting them to stop the annual auction sale of the forest coupes and lease them out to Co-operative Stores. The Government of Madras have been kind enough to pass the following order :—

*Order :—*The Chief Conservator of Forests proposes to lease to the Madura City Co-operative Stores in 1943-44 as an experimental measure two coupes, one in each of Sholavanda and Natham Ranges, capable of yielding not less than 550 tons of firewood at the estimated current market prices in February 1943 and to consider the question of selling more coupes if the Stores work these coupes successfully. The Government approve the proposals.

No coupes can be leased to the Stores during the current year as their sales have already been confirmed."

They have again been requested to reconsider the question and allow at least one Range for experimentation. Let me conclude this with this that if the Government desire to give encouragement to the Stores, it should be solid and substantial as anything piecemeal cannot but lead to undesirable rivalry and unhealthy competition—the very thing we strive to erase out—between the Stores and the experienced traders hitherto holding the monopoly, so to say.

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My Experience as a Co-operator.*

BY RAO BAHADUR M. GIRIAPPA.

The immediate provocation for my talk here this evening is a visit to a Society in Chingleput district, whither I had been in connection with the Provincial Co-operative Bank work. During one of the days of my stay there in the upstairs of the buildings, I happened to go downstairs to have an idea of the working of the Society. With this society as an example, I shall explain to you the subject of my talk this evening. This society is typical of a large number of societies in the Presidency. This is a society which was started in 1906, *i.e.*, more than 35 years ago; but I found that it has merely been dragging on. It has only 275 members with a paid-up share capital of Rs. 4,200, while it is a semi-urban area with a total adult population of 10,239, 5,047 males and 5,192 females. There is a Deputy Tahsildar, a Sub-Registrar and a Sub-Inspector of Police here. The Society has all along been stagnant. It has made so far no impression in the place nor has its existence been felt by the people. I noticed a Marwari there 10 years ago, when I visited the place as Deputy Registrar, Madras-Chingleput. Then he was lean and thin, but now he is a huge burly figure. Apparently more money has gone into his coffers. The most tragic part of it is that he has hit a blow on the President himself. I mean, he has purchased the house of the President and has driven him to a small rickety building, where he has been ailing for sometime. Living in the spacious house of the President of the society, the Marwari is showing his fist at the society, and challenging it to do its worst. But the society is still too weak to challenge him. On the other hand, it is sinking. The President placed too much trust in the clerk and allowed him to carry on the work of the Society unchecked by him. "An open door tempts a Saint", it is said. He misappropriated the funds of the Society and consequently, it has been working at a loss. The loss is being recouped year after year, leaving very little to the members by way of dividend and thereby the enthusiasm of the members has been damped, while the Marwari has been merrily going along. This is the fate of the Society that has been in existence for 35 years. It has not been able to drive out the Marwari from the place, though it has been in existence for such a long time. Usury still stalks there. What is the use of such a society to the place? What purpose has it served so long? Members

*Extracts from a lecture delivered at Coimbatore.

of the Society are still privately borrowing from him at ruinous rates of interest and publicly borrow from the society, while the money only goes into his coffers. I saw the President in his house. He is very sickly and unable to walk, but still he continues as President. He is a good man and I have nothing against him personally. Do you mean to say that there is none else in the place fit to be President? There are good enough people in this place which, as I said above, is a semi-urban area. What are the reasons for the slow progress or the bad condition of rural societies generally?

In the first place, members are more guided by sentiment than by business instincts. They seem to think that to replace one person by another is to do him harm and is derogatory to his prestige. Sentiment can have no place in a co-operative society which is a business institution.

Secondly, members do not take interest in general body meetings. They rarely attend general body meetings and it is only with great difficulty that a quorum is got. The members, immediately they come, want to get away. If there is to be an election, they will have to spend much more time and therefore, the easiest thing will be to say that the same persons may continue and go away. There will be a large attendance only if one wants to get in as President to recover his bad debts through the society and in that case, he may even get them in lorry-loads. The members still seem to think that it is their business merely to borrow money and nothing more.

Thirdly, some who get in as office-bearers, particularly the President or the Secretary, would like to continue so long as possible and they would be buttressing their position by granting loans to members very liberally. The reason for their continuance as President or Secretary is either power, position or profit. Under the by-laws, the President has the power to appoint the members of the establishment as well as to fine and suspend them. If the staff has already been appointed they can boss over them and utilise them for their work. They may also use their position in societies to attain other positions. I can quote instances in which Presidents of societies have used their position to become Municipal Chairmen. They have only to give loans liberally to the voters and thereby secure their votes. Once they become Chairman, they kick off the ladder by which they rose. Instances there are in which societies have been used for profit. The directors are indifferent and often the office-bearers are enabled to profit themselves with impunity at the expense

of the society. I do not say that there is none at all genuinely interested in the Movement, but such people are very very few.

One more reason for the persistence in continuing as President or Secretary is that if they can manage to continue until 25 years, when the Silver Jubilee of the society would be celebrated, and their portraits will be unveiled. There are instances in Madras City where Presidents or Secretaries have managed to drag on as such for over 26 years, so that their portraits may be unveiled in the Society's office. When once this is done they clear out. I understand one such society recently has offered itself for supersession, because the Secretary of that society, anxious to be on the saddle for a long time distributed loans far too liberally with the result that the society was on the verge of a break-down. What then are the remedies for this state of affairs? What is the solution?

1. Education of Members.

If the society is to improve or advance it is necessary that the members should be educated, I mean, educated in the principles and practice of Co-operation. They should know what a co-operative society is. The members should be made to understand that a co-operative society is a democratic institution and that it is their duty to administer it successfully, if it is to serve their needs adequately. From what I have observed, the members of societies still seem to think that the society is intended only to give them loans, whenever they require, how and where-from they do not care to know and that, when once loans are received by them, their business ceases. They should be made to realise that, in this democratic institution, they have rights as well as responsibilities as members. They should be told that as members of societies, they have the *right* to vote, which is coupled with *responsibility*. They are responsible to see that competent persons are elected as directors with the aid of the vote and not those who will only give loans to them far too liberally. But they do not exercise this right during the annual elections properly. Either they proclaim the same set of indifferent directors to continue from year to year or are led away influenced by unscrupulous persons or elect persons who will freely give them loans. Members fail to realise that by electing the same indifferent men from year to year or in electing persons, who are far too liberal in granting loans or in electing bad persons, they are cutting the ground from under their own feet and wrecking their society which is to give them shelter and shade during the times of stress or severity. They should be made

to realise that it is their society, intended for their welfare and that it is their duty to elect the right sort of men as office-bearers. With the aid of the Rural Reconstruction Grant from the Government of India, classes were held by the department for the education of members of societies. But these classes are rarely attended in full. So little is the interest which members take in the classes.

2. *More men.*

For the success of the Movement, it is necessary that more and more men should be brought into the Movement, I mean more and more good men. If the same indifferent men continue in the Movement, the Movement will be sluggish and not go forward. There has however been a tendency in the Movement to get the same men not merely to one society but to a number of societies. The aim of Co-operators in general should be, as Sir Frederick Nicholson has said, "Find Raiffeisen." I remember when, as Registrar of Co-operative Societies, I was inspecting societies, I used to see the same men coming round to me during inspection of several societies. I issued a circular to the Deputy Registrars of Co-operative Societies to see that as far as possible different persons are elected as office-bearers for different societies. I am not sure what steps were taken to get fresh blood into the Movement. It is only if more and more good men come into the Movement, the foundation of the Movement can be strengthened. Says, Henry F. Wolff in his interesting book on "Peoples' Banks," "It is Co-operators that can make successful Co-operation." If you want the Movement to succeed, it is necessary that we should have good men at the helm of affairs in co-operative societies.

3. *Politics.*

I have seen many a good society foundering on the rock of Local Board politics. Politicians, with a view to gain power and influence for their party in an area, use all means, fair or foul, to get into the society. When once they get in, they freely admit their partymen as members of the society and get a majority. Then they begin to give others money by way of loans to them, not with any regard to the repaying capacity of the members, but solely on the consideration that they belong to their party. Naturally, after a time, the society cracks. If the Movement is to succeed, it should be kept clear of local politics. It would, perhaps, be better if a rule is passed by the Government that people connected with Municipalities and Local Boards are ineligible to be directors of co-operative societies.

4. *General Education.*

For the success of the Movement, it is necessary, as I have said above, that the members should understand the principles and practice of Co-operation. But for a proper understanding of this subject, it is necessary that the members should have some general education, at least elementary education, which might serve as a background for study. Says Henry F. Wolff, "Co-operation is one of the most educating forces that we possess, but it requires preliminary education preceding it, to help it to form and flourish." It is the duty of the State to give this education. No doubt, in a few places in the Presidency, co-operative societies are allotting a portion of their Common Good Fund for starting adult classes, because they feel that unless a man knows to read and write, he cannot properly function as a member. In Italy, no man will be admitted as a member of a society unless he can read and write, for, they have full well realised that, unless he can read and write, he cannot adequately discharge his functions as a member. Even today in co-operative societies in the interior villages, the members are deceived by unscrupulous secretaries or presidents. Bonds are taken, but amounts either in full or in part are denied to them. Even today the members of societies are made to understand by the Panchayatdars that money is given by the Central Bank on the strength of their guarantee and that therefore they should be content to take as much money as *they* are pleased to give. Members, therefore, dare not remove an unscrupulous panchayat, lest money should be denied by the Central Bank in the absence of these panchayat members. General illiteracy, therefore, is a great handicap to the progress of the Movement. A society here or a society there opening adult classes will not do. The progress is bound to be slow. If the Movement is to advance, it is necessary not only that elementary education should be made compulsory for the younger generation, but that the Government should give a drive to the spread of adult schools all over the province, by subsidising them wherever necessary, so that the members of societies might know what they are signing about, either as members or as panchayat members. Says Sir Daniel Hamilton, "The Indian Ryot carries on his right shoulder a mountain of debt and on his left, a mountain of illiteracy. Relieve him of the mountain of illiteracy and he will throw off the mountain of debt."

5. *Indebtedness.*

No doubt, indebtedness is a great handicap to the progress of the Movement. For, with the load of debt on his head, a ryot finds it

very difficult to improve his economic condition. What he gains through a co-operative society, he only pays to the Sowcar, and he is none-the-better for all the help he gets through his society. But with the spread of the Land Mortgage Bank Movement, the ryot has been slowly but steadily freeing himself from the shackles of debt. If the present pace of the progress of the Land Mortgage Banking in the Province is kept up, I am sure, ere long, he will completely redeem himself of his debt and be a free man, at least in this Province.

6. *Propaganda.*

If the Movement is to succeed, it is necessary also that there should be propaganda to carry the gospel of co-operation right into the villages. We want more and more educated men, trained in the principles and practice of Co-operation, imbued with the genuine co-operative spirit and willing to serve the cause of humanity. For this purpose, it is necessary that a College of Co-operation should be started in Madras. If officials and non-officials are to do propaganda, it is necessary that they should know thoroughly the principles of the co-operative movement in all its aspects. A little knowledge is a dangerous thing, it is said. If people are to teach, they must know full well what to teach and how to teach. While I was in the Department I remember proposals were submitted for starting a College of Co-operation at Madras. In the proposals, it was explained clearly that the College will be self-supporting, at least in the second year, if not in the first year. There is no College of Co-operation in the whole of India and applications for training from all over the Province and even out of it, used to flood the Central Co-operative Institute, which was obliged to refuse applications for admission for want of accommodation. The Hon'ble Mr. V. Ramadas Pantulu in his Presidential Address at the Mysore Co-operative Conference the other day recommended a College of Co-operation in Mysore. But if a College is started in Madras, Mysore would not start one there. I understand the starting of the College at Madras has been stayed owing to the War. I do not see why. As this would not be a heavy drain on the resources of the Province, I would strongly urge the establishment of a College of Co-operation, so that all educated men, genuinely interested in the progress of the Movement in the province and outside it, may understand thoroughly the principles and practice of co-operation and impart their knowledge to the masses.

7. *The Department.*

I would not leave the subject without referring to the officials in the Department. The success of the Movement depends not merely on non-officials, but also on officials, for, officials and non-officials form the two arms of the Movement. While I refer to officials, I do not refer to any one officer in particular, but I am speaking of officers in general. In the first place, the officers of the Department should have a broad and liberal out-look. As it is, they seem to adhere too rigidly to the by-laws of societies and do not look beyond their nose. They should feel that by-laws are intended for the members and not members for by-laws. They should stick to essentials and leave off non-essentials. They should see that the by-laws are adjusted to suit local circumstances and local needs, always taking care to see, however, that the Act and the Rules are not violated. If the by-laws had only been adjusted to suit the needs of the President of the society referred to by me, his house would not have gone to the Marwadi. If the security was not adequate, how did the Marwadi lend money on it? I have seen the house. It is a big one. It went only for a loan of Rs. 1,000/- borrowed from the Marwadi. The officers should visit societies not to pick holes in the administration, but for a sympathetic understanding of the entire work of the society and to give suggestions for the proper administration of the society, so that the work of the society may not be hampered and the interests of the members may not suffer. I do not know how many officers of the Department visit the societies at present with this object in view.

It is necessary also that the officers of the Department should be resourceful. They should be men full of ideas and full of vision, so that they might impart those ideas for the economic betterment of the members of societies. Quite recently, the Registrar has issued a long circular to the Deputy Registrars pointing out that the societies all these years have done only credit work and that it is necessary that they should also do non-credit work and other activities and that in general, they should attend to the social and economic advancement of the members of societies. If the officers of the Department are not resourceful, how can they develop the work of the societies? I do not know how many officers in the Department are resourceful. I do not blame them. Most of them come from the ranks. They were born with the by-laws and no wonder, they adhere too rigidly to the by-laws. If societies are to play a real part in the development of the fuller life of the members of societies, it is necessary

that there should be a re-organisation of the Department, so that junior men in the Department may attend to inspection and audit of societies in their areas while the senior men, with ideas, imagination and vision may be put in charge of two or three districts. These seniors should throw out ideas to their juniors, to be carried out in their respective districts. As it is, Deputy Registrars are too much saddled with statutory work to attend to development work. As Registrar, I remember, I have worked out a scheme and this scheme, if carried out, would not entail any heavy expenditure on the Government.

Conclusion.

For the reasons stated above, the Movement has not made any headway so far, though it has been in existence for well nigh 40 years. The village societies are still credit societies, as the Registrar has already observed, and they have not so far developed the fuller life of the villager. A great authority on Co-operation, has observed, "Agricultural credit as well as non-credit is the dominant need of India and it is through agricultural co-operation beginning from the rural primaries to the All-India-Wholesale that India will gain a rightful place in the International Co-operative Commonwealth." If there is any Movement which will bring about a national upheaval, it is the Co-operative Movement. If there is any Movement which could transform the social and economic condition of the masses, it is the Co-operative Movement. It is a pity the vast resources of the Co-operative Movement have not been tapped by the people so far and the immense potentialities of the Movement have not been explored. If only it had been done, our villages would have by now been brimming with life and activity and the villagers happy and cheerful. If only Co-operation had developed to the fullest extent in the villages, it would have brought the lost treasure of "Indian Village Life" back to the Indian village. If Co-operation is to play its part in post-war economy or in post-war rural reconstruction, it is necessary that a drive should be given to the Co-operative Movement even from now. Who is to do it?

It is the State that has ushered the Movement and the State has, therefore, a responsibility in this matter. The State should not, therefore, hesitate to spend more money so as to give a drive to the development of the Movement in the interests of the ryots who contribute to the bulk of the revenues of the State. In the first place, the State should slowly but steadily banish illiteracy supplemented

with the funds of Municipal and Local Boards. Secondly, propagandists should be appointed to carry the message of Co-operation to the masses. Men of leisure and learning, with Missionary zeal and enthusiasm may be willing to do propaganda if only some allowance is given to them to cover their expenses and over. Such men should be traced and saddled for work. Thirdly, the Department should be developed.

Why should the Department be developed? As I have already said, for the success of the Movement, it is necessary that more men should be brought into the Movement, and I feel that unless there is a sufficiently large number of officers in the department free from statutory work, resourceful and fully equipped with the knowledge of the immense potentialities of the Movement, more and more non-officials will not be available for work in the Movement. I doubt whether there will be a spontaneous increase in the number of non-officials to work the Movement, unless officers of the Department take pains to go and find Raiffeisen. Let me not be mistaken. I am not one for officialising the Movement. But I believe that there should be a sufficiently large number of proper officials at the present time, if the Movement is to take a leap forward. It is for this reason that I said that the State should come forward to develop the Department. When once material is found for working the Movement, the Department may slowly withdraw. I feel that the Government have too soon withdrawn and left the Movement at a stage when it is deplete with human material. I do not blame the Government for having withdrawn from the Movement and confining itself to statutory work, for, I know they have done so in response to the cry of a few people who have not grasped the real situation of the Co-operative Movement. It is all very well to say that the Co-operative Movement is a people's movement and it should, therefore, be run by the people. That may be the ideal. But what I say is that the right sort of people have not yet come in and therefore, it is necessary that they should be brought in first before the State could back out. If, therefore, the State is genuinely interested in the welfare of the movement, it should step in and develop the Department so as to release the services of officers, both resourceful and trained. It should be the duty of these officers not merely to start development work themselves, but also call in the aid of proper persons for this work, harness them for this work and then ultimately withdraw. It is only in this way that I see any hope for the

development of the Co-operative Movement. It should not be misunderstood that, because I was an Officer in the Department, I am in favour of more officers for the Department. I do not gain anything nor do I want a place in the Department. Having been in the Movement for over 30 years, I know the condition of the Movement and I know also how many people are genuinely interested in the welfare of the Movement and how many persons there are who sacrifice their time and leisure for the development of the Movement. I feel quite sure in my mind, however, that if only the State would develop the Movement on the lines I have said above, more people can be brought into the Movement to work it. Now is the time to forge ahead. Now is the time to gear the Co-operative Movement to the development of whole-sale marketing in the Province. Now is the time to gear the Movement for the development of industries, big and small. The war has given us ample opportunities to develop industries and we should not let go this opportunity. But, for this, we want more men, both officials and non-officials. We have to thank the Government for having done something so far but I feel that they should do something more in the interests of the toiling millions and I trust they will do it.

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If Robert Owen were alive to-day.

BY DR. JOHN THOMAS.

After my visit to the Edinburgh Co-operative Congress in 1942, not far from the hallowed spot of Lanark associated with the reputed Father of British Co-operation, my mind kept dwelling on what might have been Robert Owen's reactions had he been living to-day—the 171st anniversary of his birth.

My replies will not be devoid of historical significance, for they will be strictly in accordance with biographical data culled from my study of the life, writings, and recorded speeches of this lovable Celtic co-operative compatriot of mine.

My native patriotism, as well as my intellectual studies of his mission and gospel, rank him highly if not the most high in the co-operative Valhalla. Need I say more than that? I am a hero-worshipper of this little, frail Montgomeryshire lad, who rose by dint of his love of his fellowmen, his employees, his own disciples or followers, to rank as the world's most famous reformer, philanthropist, and social philosopher of the early decades of the 19th century?

On this 171st anniversary of Robert Owen's birthday, it is no stretch of imagination to think of him as though living in 1942, for according to Robert Owen's faith at his death and for many years before 1853, he was a keen spiritualist. Though his body has long crumbled into dust in his beloved native soil at Newtown, his spirit and his soul, like that of John Brown, "still goes marching on."

If Robert Owen appeared in 1942 on this Mars-stricken planet, 171 years after his birth, I feel convinced he would quote from his famous "Introduction" to his speeches published in 1823.

In defence of his including military exercises and drill, with the practical knowledge of firearms, in his curriculum for his New Lanark School, he wrote:—

"To accomplish these objects to the utmost practical limit, every male should be instructed how best to defend, when attacked, the community to which he belongs."

In this paragraph Robert Owen endorses his support of all our Civil Defence, A.R.P. Service, Home Guard, and even conscription for the repulse of the aggressors and common enemy of the united nations.

His reasons for the above paragraph in 1823 would be more valid in 1942 than when he penned them.

"They (the children) will be taught to consider this exercise an art rendered absolutely necessary by the partial insanity of some of their fellow-creatures, who by the errors of their predecessors

transmitted through preceding generations have been taught to acquire feelings of enmity increasing to madness against those who could not avoid differing from them in sentiments and habits."

We to-day misled by the totally false picture his contemporaries and alas, too often some of his own contemporaries give of this great social philosopher and reformer. We often picture Robert Owen merely as a dreamer and visionary pacifist. He was, of course, a dreamer, a visionary, an idealist, or, as Karl Marx considered him, a Utopian. But throughout his life Robert Owen was a practical realist—as a successful cotton manufacturer, factory manager, business organiser, despite his later lapse into a belief in spiritualism.

From an early date he labelled himself as a rationalist—one who believed in the application of reason, debate, and discussion to the solution of social problems, with the organisation of social institutions like trade unions, co-operative societies, and parliament and congresses as media for men to settle and compose their conflicts and differences.

But Robert Owen was logical enough to see that debate and discussion would be worse than useless in dealing with madmen, such as he had witnessed in his lifetime in Napoleon, and madmen such as we suffer from to-day in Hitlers, Musolini, and their opposite numbers in Japan.

Hence we get the clear-sighted rationalist Robert Owen writing this lucid paragraph.

"While, however, any part of mankind shall be taught and continue to be trained from infancy to think and act irrationally—that is, to acquire feelings of enmity, and deem it a duty to engage in war against those who have been instructed to differ from them in sentiments and habits—even the most rational must, for their personal security, learn the means of defence."

Could any co-operator or any other citizen among the United Nations of Britain, U.S.S.R., China, or U.S.A. proclaim their stand against the brutal forces of Nazism, Fascism, or Nipponism in clearer terms?

Robert Owen not only believed it right to support a destructive war to resist, restrain, and, if possible overthrow aggression, but he had very decided views on constructive measures for peace. In fact, his views on constructive peace seem to have earned him a greater reputation as a pacifist than that of an active resister to aggression.

Based on his "magnum opus"—his "New World" (in seven parts)—he visualised a world "Association of all Classes" moral in 1836, preceding by many years Karl Marx's slogan, "Workers of the World Unite." His exact words were.

"A Union of Governments is now required to reconstitute society upon a new and solid basis, and to secure to the human race peace and

happiness through the right application of the discoveries, both scientific and moral, made within the last century."

In this scintillating sentence we have all the pith of arguments for a real League of Nations, Federal Union, and both an Atlantic and a Pacific Charter.

What would be Robert Owen's views on the U.S.S.R., China, and the U.S.A. to-day as economically constituted?

First and foremost, he would be delighted with the headway made by co-operation in all these three countries. In Robert Owen's own day there was no co-operation or co-operative store—much less signs of a co-operative movement—in Tsarist Russia (as the U.S.S.R. was known to Robert Owen and his contemporaries,) or in vast Manchu-ridden China. In the U.S.A., the new Republic of the New World across the "herring pond," Robert Owen (and indeed his sons), by speeches, lectures, and personal effort—even spending the greater part of their personal fortune and wealth—from 1828 to the death of Robert Owen in 1858, left no stone unturned to fertilise the stony capitalist soil of the U.S.A. with the gospel of co-operation.

But if Robert Owen came on earth to-day in 1942 he would take his hat off to these three great Republics and their co-operative efforts. Let us imagine, in 1942, that the Right Hon. D. Lloyd George were to exhort Robert Owen to attend a Royal Welsh National Eisteddfod. Imagine a further prize or prizes of merit to be awarded to the national leaders who had come nearest to Owen's ideal of co-operation in their efforts to base their States on a sound co-operative policy. I can picture Robert Owen as the co-operative adjudicator, giving the adjudication and verdict as follows:—

"I award the first prize to Joseph Stalin for his encouragement of co-operation since 1924, the death of Lenin (whom I have conversed with so often in Linklater's Valhalla). Stalin counts nearly 100,000,000 co-operators in the U.S.S.R.

"Not only do I award the blue ribbon of co-operation in this National Eisteddfod to Stalin for the size of his co-operative movement but I single it out for its one single feature that brings his co-operative movement in the U.S.S.R. nearer to my Owenite ideal of co-operation than the Rochdale brand of Co-operation, so successfully established throughout Britain and other European countries after 1844. Stalin has established his mighty co-operative movement on truly Owenite principles of (a) the cost price of commodities, and (b) no dividend distribution of surpluses to purchasers.

"For a third reason (every true Welshman must have three reasons). Stalin merits the Eisteddfod award because in the U.S.S.R. he has fostered co-operation in all its economic phases in production, transport, exchange, and consumption, and in particular made it

a bumping success in agriculture. Collective farms in the U.S.S.R. are the nearest thing to my notion of successful social, rural communities."

Turning to China and its Chinese industrial co-operatives, Robert Owen would award the second prize to Chiang Kai-Shek for his successful organisation of the C.I.C., with the emphasis on small productive units of co-operation. This successful organisation of "co-operatives" under the nose of Japanese aggressors would be highly acclaimed by Robert Owen.

Then, last but not least, the grand old man of co-operation would be bound to confer a special third prize to President Roosevelt for his advocacy of co-operative organisations from the first day of his "New Deal" propaganda to the present day switch-over to war production in answer to Japan's Pearl Harbour treachery and Pacific aggression.

Even in his day, Robert Owen thought very highly of the New Republic, which gave him such a Congressional welcome on his American co-operative lecture tour. In the U.S.A. later, his descendants became American citizens, despite the initial failure of his co-operative community at New Harmony, in Indiana.

Robert Owen, I am sure, would strongly support any move to build a new central Co-operative College. The destruction of the present college, housed in the bombed building at Holyoake House, would fire Robert Owen's enthusiasm for a new, better, bigger, and bolder college venture. He would favour a self-contained college standing in its own grounds, much as his centre of culture and learning in his New Harmony and Queenswood community experiments.

As a shrewd businessman in 1817 in New Lanark, he deemed every penny spent on his educational experiments and schools for adults and children not as an expense or a debit, but as a sound investment on the credit side of his balance sheet.

Robert Owen realised the value of co-operative education as the source of inspiration of the thousands of personal converts that he made as a pioneer. These converts became co-operative missionaries and torch-bearers of a "new gospel." These Owenites, many of whom became apostles of co-operation of the stature of George Jacob Holyoake, Abraham Greenwood, and others who hailed from Rochdale, were the people who made practical and successful the foundation societies that have shown the British and the rest of the world the way to set about erecting a sound co-operative movement.

—*The Millgate Monthly, July-August 1942 issue.*

Our Fruit Wealth.

(A Radio Talk by the Department of Agriculture, Madras.)

To an average person many things become a common place due to close and prolonged contact. People entertain a fancy for a multitude of things from far-off lands and are prepared to spend energy, time and money to procure them, even though they may with much less effort and cost obtain equally good or superior things from close quarters. This unaccountable attitude is as true in respect of our fruit supply as in most other things. Why should a man from Madras hanker after Kulu or Japanese apple when he has within his reach a less expensive and a more valuable fruit like mango? Why should we import a vast quantity of synthetic fruit drinks from distant lands, when we can prepare at a much cheaper cost more healthful drinks from our surplus fruits?

India has been growing fruits from times immemorial. This country has been the seat of origin of a large number of best fruits known — fruits which in many cases have attained a greater commercial importance in other countries of the world than in their original home. Even to-day there are thousands of people who never gave a thought to the growing of fruits even though they possess all the favourable conditions for successful commercial fruit growing. Fruit is never considered a necessity in the South Indians' daily diet. No wonder therefore that, in spite of all our favourable conditions, we have yet to import fruits and fruit products from abroad, while many of our fruit growers receive little encouragement for growing more and better fruit due to uncertain demand and consequent low income.

But things must change; and they are changing. Our nutrition experts have brought home to us the value of fruit diet. There are very few foods which provide those invaluable and essential protective substances known as vitamins, as fruits. Both during peace and war times the part that fruit plays in maintaining human health and efficiency is being increasingly realized. A very large number of human ailments like scurvy, bad teeth, eye and nervous complaints, defective bone formation and a host of other lesser known diseases are traceable to the lack of vitamins in our food. These deficiencies are easily and inexpensively made up by regular and daily consumption of fruits, vegetables and milk. If only every person in this province includes in his or her daily diet the requisite quantity of fruits, our fruit growing industry will have to expand several times the present size, making it as one of the leading national industries. Such a development has taken place in other countries, of which California stands out as a glaring example. There is no reason why we should not develop our fruit resources and wealth so as to bring about an improvement in our national health and wealth.

South India produces almost every variety of fruit known to the world, because of its diversity of soil and climatic conditions. It only needs the efforts of man to exploit these gifts of Nature. As a matter of fact, this part of India possesses certain advantages which permit the production of certain

fruits at cost below that considered possible in most parts of the world. Whereas in a highly horticulturally developed country like the United States of America the fruit growers have to spend enormous amounts every year on irrigation and frost protection, we in South India are in a position to produce equally good crops of certain fruits entirely under rainfed conditions without having to incur any expenditure on fighting the cold or on the installation of expensive irrigation systems. The question naturally arises as to why our fruit industry is still so backward in the face of these favourable features. Lack of realization of the value of fruit diet is obviously inadequate to explain this anomaly.

In this course of the present talk, it is impossible to discuss all the factors that go to contribute to our present position of fruit growing. Suffice however to say that, apart from our lack of fruit consciousness, we in this country suffer from a series of disadvantages. Taking the case of prospective fruit grower, it is found that he, at the very outset feels that he lacks the correct information in regard to the selection of sites for raising his orchard, the kinds and varieties of fruits which he should grow and the methods of orchard culture from the time of planting throughout the long life of his trees. Very often he finds that the plants he obtains for planting from a nurseryman are of inferior kind from the point of productivity and quality of fruit which they produce. If he succeeds in raising a large orchard of suitable fruits, he finds his surplus crop in most years a serious problem. The effective methods adopted in other countries to meet such contingencies through organized scientific efforts and through the diversion of a bulk of the produce to canning and preservation factories are not at present within his reach. The frequent crop failures is a phenomenon to the solution of which he is unable to find the key. If he happens to be an absentee landlord or has only a passing interest in fruit growing, his enterprise suffers considerably in the ignorant hands of his servants.

Notwithstanding all these obstacles, fruit growing in South India has often proved to be a paying concern even though there are any number of orchards which have not given any profit in spite of their being located side by side with those which fetch high returns to the owners. It is obvious from the foregoing that unless and until fruit growing is considered a whole-time occupation of scientifically trained persons and unless and until research in fruit culture is extended and intensified to place at the disposal of every grower definite knowledge on every aspect of fruit culture, fruit utilization in every part of the province no substantial progress is possible. With these objects in view a real beginning has been made in this province in research of fruit growing. The officers of the Agricultural Department in general and specially those in the recently constituted Fruit Section are available for offering all the necessary advice for the development of our fruit industry. The growers are advised to seek their help and guidance and replace the present 'Hit or miss' methods by scientific methods, which are the only way by which fruit industry can be built on firm foundation in the province.

Reviews.

SONS OF THE SOIL, Studies of the Indian Cultivator, Edited by W. Burns, C. I. E., D. Sc., I. A. S., Agricultural Commissioner with the Government of India. (Government of India Press, 8, Hastings Street, Calcutta) Price: Rs. 2-6-0.

In an article in this book written by Verrier Elwin he tells a story, told him by an old peasant in Kawardha State. God was wondering who should carry on the work of the world. So he made this test. He prepared three chairs, one of gold, one of silver and one of earth. Then he called a Mussalman, a Hindu and a Gond and asked them to choose which they would. The Mussalman sat down in the golden chair, the Hindu took the silver chair, but the Gond chose the earthen chair. Then God said: "It is the Gond who will carry on the work of the world, for only he who can sit on an earthen chair will be able to bear the hardships that are bound to come. And so God made the Gonds the support and refuge of the world."

If we substitute "the peasant" for "the Gond" in this classical story, we go with the proper mind to the study of this little book, treating the fascinating subject of real India, which is the India of the peasants. We find in this little book with its numerous excellent pictures of Indian peasants a series of essays on peasant life written by the most able experts in Agriculture in India. And certainly Mr. Burns deserves the deep gratitude from all interested in village life for the labour taken in compiling this excellent book. It is seldom, that a Government publication is of so general interest, that we without hesitation can say, that it ought to be on the bookshelf of every official and non-official in this country. Not only that, it also ought to find its way to all Indian and European families, who care for India and its inhabitants and their welfare. Read it once and you will read it once more.

The only criticisms we might offer is, that certain words belonging to the different areas might have been explained a little more, and a list given of the "foreign" words used for the different crops mentioned.

K. H.

*The Madras Provincial Co-operative Marketing Society,
for the year, 1940-41.*

There are 104 societies and 73 individuals on the rolls of membership, with a paid up share capital of Rs. 5,250 and Rs. 2,285 respectively. The Madras Provincial Co-operative Bank Ltd., sanctioned a donation of Rs. 1,360 to the society for the year 1940-41. No Government grant was received. The society dealt with goods worth Rs. 2,52,307 including stock of the previous year for sale on consignment basis. The society earned a total commission of Rs. 11,140-6-0 of which Rs. 3,032-15-0 is due to the Kodur Fruit Growers' Co-operative Society. At the end of the year goods worth Rs. 17,396 belonging to consignors was held in the society's custody. The

society earned a profit of Rs. 209-11-0 during the year under review out of which Rs. 52-7-0 is to go to reserve fund as per by-laws leaving a surplus of Rs. 157-4-0 for distribution.

T. S. R.

The Repalle Co-operative Loan and Sale Society, for the year, 1940-41.

This is the fifth year of its working. It has got 657 members when compared with 414 of the previous year. Loans were given to the members to the extent of Rs. 2,39,645. The society remarks that if the central bank had given timely help it could have turned out more business. As a result of the representations of its committee the Government increased the borrowing capacity of the members from Rs. 250 to 500 on the security of paddy stocks. There are no overdues either by way of principal or interest. The amount due to the Central Bank is Rs. 2,97,550-0-0. The side activities of the society are supplying manure, production of handloom and swadeshi clothes. The society earned a net profit of Rs. 316-1-0 during the period under review.

T. S. R.

The Coimbatore Co-operative Institute, Coimbatore, for the year, 1941-42.

The Coimbatore Co-operative Institute Ltd., was registered under the Co-operative Societies Act on 27-6-41 and commenced its work on 2-7-41. The institute is intended to serve as an educational centre in co-operative matters for the districts of Coimbatore, the Nilgiris, Salem, North Arcot, South Kanara and Malabar. Its main function is to give training in the theory, principles and practice of co-operation, to the supervising staff employed in these districts. The first session for the training of supervisors was begun in the Institute on 2-7-41 with 40 candidates. Theory was related to practice as much as possible by visits to co-operative societies and first hand study of the working of the various co-operative institutions in the area. The literary and debating society of the Institute held regular meetings at which debates alternated with lectures both by the students and outsiders of repute in the co-operative field. The Institute has created a good record in the results; 31 candidates have come out successful in all the 4 subjects, of whom 3 are first classes, the first rank in the Presidency being captured by one student of the Institute. A refresher course was held under its auspices but the response was not satisfactory. The short break has been taken advantage by the lecturers to undertake the economic survey of the two villages, Pannimadai and Ravathur in the Coimbatore District. The progress of the Institute is satisfactory.

T. S. R.

The Tanjore District Manure Co-operative Society, for the year, 1941-42.

The society was started in the year 1916 with an authorised capital of Rs. 10,000. The membership of the society consists of 36 societies and 86 individuals. It has a working capital of Rs. 2,982-14-0. The net profits

for the year ending with 30-6-42 was Rs. 440-8-0. The working of the society falls under two heads. (1) Production and sale (2) Purchase and sale. It collects bones and manufactures bonemeal for distribution among its members. It works on hired machinery. The society by its example and propaganda makes members and non-members who are interested in agriculture to improve their economic condition by adopting improved methods of agriculture. The society is responsible for the increased paddy production in the district.

T. S. R.

The Nidamangalam Co-operative Sale Society, for the year, 1941-42.

The society was registered in the year 1935 with an authorised capital of Rs. 10,000. It had 137 individual members on the closing date. The working capital was Rs. 33,346. The loans due to society on 1-7-42 amount to Rs. 32,988. The chief commodities on which loans are issued are paddy and cotton seeds. The president is in charge of produce and godowns. Loans for Rs. 250 and below are granted on personal security. The godown-keepers of the Central Bank and the society visit often and verify the produce pledged. There is all round improvement in the working of the society. The members mainly consist of agriculturists. By holding up of about one lakh of kalams of paddy pledged to the society the economic benefit derived by the members at 0-8-0 per kalam is about Rs. 50,000.

T. S. R.

How to Plant Shade Trees—by N. R. Elliott, Circular 317, University of Kentucky College of Agriculture and Home Economics—Extension Service, October 1941.

This Circular of barely eight pages with illustrations on all the pages but one gives stimulating ideas about tree planting. Good trees planted near houses or in farms give beautiful appearance, provide shade for men and livestock, and yield valuable timber. A proper selection of them should be made suited to the climate and soil. Very useful hints and precautions to be taken in transplanting trees from the nursery to permanent pits are given for the different stages viz., digging and removing the tree, pruning the top, planting the tree, watering, manuring, aftercare and protection by boxing or fencing. Particularly interesting and useful is the advice, somewhat novel, about the necessity for wrapping the trunk with thick newspaper or some such material (as illustrated on the front page) which will protect the trunk from the injurious effects of the sun and wind. The preparation of the pit and the right and wrong methods of planting are very aptly illustrated and described by means of Section drawings. (Contributed.)

*Control measures for common garden insects—W. A. Price—
(Kentucky University Circular 359).*

This publication contains useful hints on control of pests that a grower of vegetables has often to contend against. The insects mentioned are quite a few and comprise naturally of American forms. The remedies suggested are common place and well-known, but they are mostly applicable to western countries where chemicals are easily obtainable. The use of derris dusts has not come into general practice in India due chiefly to non-availability of the material in large quantities; further the cost of the material is anything but cheap to offer as an incentive to its being used on a generous scale. The circular as avowedly meant to supply information in a non-technical fashion to garden growers of America and is in the nature of leaflets and pamphlets issued free by the Madras Agricultural Department for similar purpose. Every garden grower should welcome a publication of this kind and he is sure to find it useful. (Contributed.)

*How to can fruits and vegetables—by Florence Imlay & Pearl J. Haak.
Circular 362, June 1941.—University of Kentucky.*

In the past decade, publications on canning have been multiplying at a very fast pace as to cause some confusion in the minds of the lay public. From the view-point of laymen, the process of canning a number of fruits and vegetables of the temperate zone have been standardised, but yet these very standard processes are being published and republished in a plethora of journals, pamphlets, bulletins or circulars. The circular under review is no different, and its only justification is perhaps that it sets down the processes succinctly and in a simple language to serve as a ready guide for the Kentucky housewife.

It has to be remembered that unlike in the U.S.A., canning is yet an unpractised art in the Indian household. This makes it necessary to utter a word of caution to those who may desire to follow blindly the instructions contained in this publication of Imlay and Haak. The Indian fruits and vegetables differ in variety and constitution from those raised in America, and this makes the adoption of the hints of these authors dubious value, if not inadvisable. Above all, the publication fails to bring out the dangers of vegetable canning in ill-trained hands. Far too great a harm has been caused in the past by ptomain poisoning of human beings due to the consumption of defectively canned vegetables as to encourage any one in this country to popularise the home canning of the acid-deficient vegetables. To recommend this publication to the Indian homes is therefore to court disaster. But this is not to underestimate the value of this circular to the American housewife, who may find in it a source of some information of no mean utility.

(Contributed.)

Working of Societies.

The Godavari Central Co-operative Stores, Ltd., No. B. 40S, Rajahmundry.

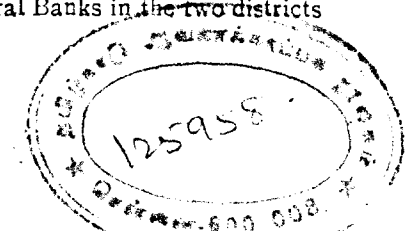
The Godavari Central Co-operative Stores, Rajahmundry, was registered on 3-12-1941, and it started work on 8-12-1941. It, however actually commenced business from 2-3-1942 after a departmental Junior Inspector took charge as its paid Secretary. The area of operations of the stores extends to the Revenue Districts of East and West Godavari. The main object of the stores briefly is to arrange for the supply of genuine articles to the members of co-operative stores and other co-operative institutions in both the districts.

Finances.—The authorised share capital of the stores is Rs. 100,000 made up of 800 'A' Class shares of Rs. 100 each and 2,000 'B' Class shares of Rs. 10 each. There were only 45 members on rolls with a paid up share capital of Rs. 5,880 on 25-2-1942, but after the paid secretary took charge, 28 more members were admitted with an additional paid up capital of Rs. 2,830. The total share capital on date is Rs. 9,650, and there are 80 members on rolls.

The stores purchased stock worth Rs. 15,149-8-0 and sold commodities to an extent of Rs. 13,376-6-0 in a period of 4 months ending with 30-6-1942. The stock on hand on 30-6-1942 was worth Rs. 3,053-4-0 (being the cost price of commodities).

The stores invested Rs. 1,000 in the shares of the Rajahmundry Central Bank. The Bank sanctioned a cash credit of Rs. 20,000 and an amount of Rs. 5,000 has since been drawn from it so far. In this connection, it is observed that business could not be conducted on a large scale, firstly, for want of funds, secondly, due to abnormal fluctuations in prices of all commodities on account of war which has necessitated a slow and careful policy in making purchases, thirdly, owing to inadequacy of the staff employed. Practically, the secretary had to attend to both out-door (purchase of commodities at production centres) and in-door work till 30-6-1942 with the assistance of a store-keeper. Since July last, the store-keeper has been relieved for training and an Accountant has been appointed.

Business.—As a result of the business done to an extent of nearly Rs. 49,000 with its share capital of Rs. 8,710 till 30-6-1942, the stores realised a gross profit of Rs. 1,315-12-0 and earned a net profit of Rs. 424-4-0 after meeting the establishment and contingent charges of Rs. 891-8-0. To conduct the business of the stores on a large scale in an organised manner and to supply at least the essential requirements of the primary stores in the two districts, the Central Stores must have enough funds to purchase wholesale commodities at production centres in the proper season at cheaper rates. To solve the problem of finance, first, it is desirable to persuade, the primary societies also to take up more shares in the Central Stores and pay up the amount immediately, and secondly, all the Central Banks in the two districts should give liberal cash credit accommodation.



The working of the Central Stores so far has disclosed the following difficulties :—

(i) *Fixation of prices of commodities*:—In the existing marketing conditions, prices change too often and at times there is a sudden fall. In such cases, the stores is not able to dispose of its stocks at rates fixed by charging some commission over the cost price. Again, there are instances, where the prices have sharply risen and if articles were sold by charging 2 per cent. commission (as per bylaw No. 35) there was a great demand, since the prices on the market have gone up by 50 per cent. above the cost price. So, in consideration of these factors, the selling price of the commodities available in the stores will have to be fixed generally with reference to the market rates. Regarding the operation of by-law No. 35 ("not exceeding 2 per cent. commission on the total purchases from the Central Stores the Central Stores will sell at cost price") the primary stores want to take advantage of it, when there is a sharp rise in prices of the commodities, but they do not come to the Central Stores when there is a slight fall in the local market prices. To overcome this difficulty, suitable amendments of by-laws and subsidiary by-laws have been drafted.

(ii) *Inadequate staff*.—For the proper working of the stores in a businesslike manner, an accountant, a store-keeper, purchasing agent and a salesman are quite necessary, besides the secretary who should be responsible for the proper administration of the stores, subject to the control of the President. Till 1-7-1942, only one storekeeper was appointed and in the absence of adequate staff, the secretary has had to attend to both out-door and in-door duties of accounting, etc. He found it difficult to cope with both the duties. Only from 7-7-1942 an accountant has been appointed, but after the storekeeper has gone for co-operative training on 2-7-1942 the post is vacant. A post of salesman was sanctioned in the last Directors' meeting held on 12-7-1942. One was appointed but he has not yet reported himself for duty. On account of the several handicaps narrated above, the stores could not do greater business so far. In this connection, it may be mentioned that the Madura Ramnad Wholesale Co-operative Stores with its 75 affiliated stores purchased articles to an extent of Rs. 5.74 lakhs and sold articles for about Rs. 5.11 lakhs with monthly recurring establishment and contingent charges of about Rs. 1,000; it sustained loss of Rs. 8,094 for the first year of its working. It is understood that the Madura Wholesale Stores began with the policy of stocking and supplying a large variety of articles and experience has proved that it is only, when it gets into touch with places of production the stores can get profit and compete with local merchants.

The Tinnevely District Central Stores is said to have sustained a loss of Rs. 3,000 in the first year with monthly average sales of Rs. 17,000.

In consideration of the conditions of the stores described above, the following suggestions are made for the future development of the business of the Godavari Central Stores on a large scale on a systematic basis :—

(i) increasing the paid-up share capital of the Central Stores to an extent of at least Rs. 50,000;

(ii) making use of important co-operative institutions for making purchases;

(iii) arranging for supply direct to primaries through distribution centres (to be formed), thereby reducing transport charges;

(iv) periodical visits by the secretary to affiliated stores for collection of capital, development of sales and general supervision and direction;

(v) monthly review by the Central Stores on purchases made by primary stores;

(vi) appointment of adequate staff and proper distribution of work;

(vii) maintenance of an up-to-date list of important co-operative institutions, mills, production centres, wholesale merchants and purchasing in the proper season in production centres most of the main articles of food-stuffs required by affiliated stores and stocking them in large quantities, after obtaining indents from primary stores;

(viii) obtaining market reports regarding important commodities from big centres and maintaining contacts with the concerned institutions and persons for supply;

(ix) securing agencies for popular products such as tea, matches, soaps, etc.

Representatives of primary stores and members of the Central Stores are requested to offer their suggestions for the efficient working of the Central Stores. The Central Stores offers its thanks to primary Stores, agents of the companies and those who have helped the Stores.

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Recent Utterances.

The speech of the Registrar of Co-operative Societies on the occasion of the opening of the Chingleput District Co-operative Wholesale Stores :

It gives me great pleasure to be with you today on the starting of the Chingleput Co-operative Wholesale Stores. You all know the very important part which Co-operative Stores have been playing in the distribution of domestic necessities to the civilian population at the present moment. Immediately after the outbreak of the war in September 1939, there was a tendency on the part of retail shop-keepers to profiteer by forcing up the prices of commodities especially those required for domestic consumption. To check this evil, Government set up prices advisory committees to fix the maximum retail prices of articles. Apart from this direct method by the State, it was considered that an effective method to check a rise was to organise consumers themselves into associations so that they could get their requirements at reasonable rates through co-operative effort. The Co-operative Department, therefore, took immediate steps to start co-operative stores in suitable centres, and this met a ready response from the public. The number of stores which was 89 at the outbreak of the war rapidly increased month by month and there are now 493 stores excluding their branches working in all the important urban and semi-urban areas in the Province. The value of the sales effected by all stores in the Province was Rs. 35.62 lakhs in 1939-40, Rs. 58.33 lakhs in 1940-41 and about Rs. 90 lakhs in 1941-42. The sales are on the increase. In the three months ending with 30th September 1942, the sales effected by all stores were Rs. 40.70 lakhs against Rs. 28.93 lakhs during the previous quarter.

The stores were, however, finding it difficult to get the provisions they required. Some of them were obliged to approach the very merchants whom they sought to eliminate. They were not able to get provisions at reasonable prices, as the merchants began to exploit the situation. It was, therefore, considered necessary that primary stores should be federated into District Co-operative Wholesale Stores so that the latter might make bulk purchases at production centres or from wholesale dealers at those centres and distribute the goods to the primaries. It was also considered that only under such an arrangement could primaries put on the market goods at reasonable prices and thus have an influence over the market to check the abnormal rise in prices of commodities. The first Co-operative Wholesale Stores was started at Madura for the districts of Madura and Ramnad. The success of this led to the formation of wholesales in other districts also. There are now Co-operative Wholesale Stores working at Tinnevely, Coimbatore, Rajahmundry, Tanjore, Cuddalore, Bellary, and Guntur. Before long, it is hoped that there will be a Co-operative Wholesale Store in each district.

RECENT UTTERANCES

You may all be aware that the Triplicane Urban Co-operative Society has been entrusted with the supply of food stuffs to the civilian population of the City in times of an emergency. The gallant part it played during the last alert when several merchants in the City decamped and there was a general scarcity for essential food stuffs is now well known. It has over 30 branches and 30 depots situated in all important parts of the City. Your stores as well as other stores in the Province will have also to play a similar part when an emergency arises in your area. Although these stores have, with some difficulty, been able to cater to the needs of the public in the matter of food stuffs, they have not been able to satisfy the public in the matter of sugar and kerosene supplies. Co-operative stores are expected, when supplied with sugar and kerosene, not only to sell at controlled or fair prices but also to show no discrimination between one customer and another—whether rich or poor, influential or otherwise. This is the reason why they have been permitted to sell to non-members also for the duration of the war. Even though this may cause some inconvenience to members, the latter, I am sure, will willingly forego some of their own rights to help the larger interests of the community as a whole. Government have also recognised these societies as one of the agencies for even distribution of kerosene and sugar to their members and the public. According to the Sugar Dealers Order, 1942, no licence shall be granted to any person who is not a *bona-fide* dealer and has not engaged in the sugar trade at least for a year prior to 1-5-1942. In view of the part which co-operative stores are expected to play in the distribution and sale of sugar, Government have exempted stores from the operations of the order as regards the condition that an applicant for the licence should have carried on trade in sugar for at least a year prior to 1-5-42. But this exemption is subject to the condition that stores will sell sugar both to their members and non-members.

Under the Kerosene Control Order all Co-operative Wholesale Stores will be eligible to get a licence for dealing in kerosene wholesale and all primary stores are eligible to register themselves as retail traders. Co-operative Wholesale Stores and primary stores, the one getting a licence for wholesale trade in kerosene and the other getting itself registered as a retail trader, can command the supply of a reasonable quantity of kerosene from the agents of the Oil Companies and relieve to a large extent the distress that has been prevailing among their members and the public.

The Co-operative Department and other departments of Government will always be ready to help these institutions and whenever they are confronted with problems regarding storage, transport, etc., they may indent for necessary help on the officers of the concerned departments. Our stores, therefore, have a great future before them, but this will

depend on how they work. If they are wholeheartedly devoted to interests of the people and especially the poor and needy, without thought of self or personal gain, and in strict accordance with honest and clean principles, they will establish for themselves a reputation which will compel everyone interested to help them. If the stores are to thrive and to last after the war, there should be local initiative and local enthusiasm coupled with honesty and driving power. Stores are primarily business organizations and they should, therefore, be able to satisfy customers by the supply of provisions of good quality at reasonable prices. They should also increase their membership and share capital and expand their business.

It is indeed gratifying that you have as many as 21 stores in your district now and that the total sales in all the stores amounted to over Rs. 32,000 last month. With the starting of this Co-operative Wholesale Stores today, I hope the primaries in the district will be benefiting their members and the public to a greater extent, and become increasingly popular and that before long there will not be any town or semi-urban area without a co-operative stores.

The promoters of the Chingleput Co-operative Wholesale Stores are to be congratulated on this venture which promises such rich results. If enthusiasm is sustained in spite of inevitable way-side difficulties and if in all aspects of business, whether in buying, store-keeping or selling, high and noble ideals of moral rectitude combined with business ability are maintained, I have not the slightest doubt that the stores movement in Chingleput will soon make itself famous throughout the country just as the T.U.C.S. has done. I wish the stores all success and a bright and prosperous future.

The 6th East Godavari District Co-operative Conference Cocanada, held on 11-10-1942, Presidential Address by K. Kalidas, B.A., B.L.

I am one among host of Co-operators who ask helplessly, even to-day, after nearly four decades of patient toil and earnest effort, why the Co-operative movement should be relegated to a relatively unimportant place by the State and treated more as a necessary evil than as a means to resolve all the ills resulting from strife and conflict which human society is heir to. Our Movement is founded on Altruism and built by Love and Unity, with business representing its Corner stone. It is a harmonious blending of the extreme theories of Individualism and Socialism and is indeed the one unifying influence which knows no barriers of race or religion, in a world of strife and war. In fact the absence of the spirit of Co-operation represents the negation of peace and heralds the presence of Mars in our midst. If people, the world over, who are charged with the governance of states had digested these ideas instead of dismissing them as mere platitudes, and helped the Co-operative movement to go ahead,

we would have been spared the ugly slaughter of human beings which is now going on an unprecedented scale.

We are to-day enveloped by the dark clouds of aggression born of selfishness, jealousy and hatred and faced by acts of vandalism which even our forbears of the dark ages would have condemned as barbarous. We of the Co-operative fraternity have a special mission to fulfil both while this conflict lasts and thereafter in the 'Post-war Reconstruction'. To-day we have to make our contribution to the triumph of the principles of Freedom and Democracy over the dark forces of perdition and Totalitarianism and tomorrow we should help to heal the wounds of war without distinction of victor or vanquished and re-establish a New Order on a Co-operative basis. We should therefore brace ourselves up to carry out our mission with unflinching loyalty to our noble cause.

The problem immediately confronting us is the problem of food supplies and we cannot think of food supplies without thinking of rice which is our staple food. Our country produces roughly 354 lakhs of tons of rice and supplements its stocks in normal years by imports from Burma, Siam and Indo-China to the tune of 2 million tons. With the fall of Burma and Siam on the hand and the need to export rice to Ceylon and to neighbouring States on the other, the food problem has become very acute to-day. The Government deserve to be congratulated on the promptitude with which they have instituted a 'Food Production' drive accompanied by certain concessions which would not have been given in normal times. But at the same time we cannot overlook the fact that the policy pursued by the Government is not bold enough to meet the situation adequately. No doubt the existing stocks of food supplies could be augmented by resort to intensive methods of cultivation and propaganda in favour of cultivating food crops in lands hitherto utilised for the cultivation of non-food crops. But these methods would not cut any ice in an emergency, particularly in view of the fact that commercial crops still promise a better return to the agriculturists than other crops. The one effective method of giving a real impetus to the "Grow more Food" campaign is to assign all available land, whether it belongs to the Government or to the Zamindar, on condition that food crops alone would be raised during the war. This should be carried out through a machinery which would move quickly and whose activities should be reviewed periodically if the beneficent results of the "Food Production" drive are to be reaped without delay. It cannot be gainsaid, however, that want of capital is one of the main reasons why large areas of cultivable waste lands remain unexploited. But the co-operative societies are there to provide the requisite capital with the help of the Central Banks and the Provincial Bank. In fact co-operative societies cannot justify their existence if they do not finance and contribute to the success

of the "Grow More Food" campaign, provided the Government, for their part, afford all the necessary facilities for them.

There are already signs in evidence of a boom in the prices of agricultural commodities. Co-operative Societies which have been forced to turn bad on account of the fall in the purchasing power of the members till lately, should now take time by the forelock and retrieve their position as the circumstances are now propitious for the resuscitation of bad societies. If they fail to do so now they can never hope to recover their lost ground. There is another aspect to this question: with the rise in the cost of living and an all-round increase in prices, members of co-operative societies require increased credit accommodation to ply their trades and carry on their professions. Co-operative credit institutions which have been accustomed all along to assess the credit of individual members according to the old scale of values should soon learn to think in terms of the present conditions and make advances more freely than they had been wont to do. But at the same time they would be well advised to take a precaution. The conditions of prosperity which we witness to-day are bound to be transient by the operation of an inexorable economic law and a set back is sure to follow sooner or later. It is therefore imperative, the more so now than even before, that a system of compulsory thrift and saving should be devised to enable the agriculturists to stand in good stead when the evil day overcomes them. It was the absence of any such provision during the last period of boom that was responsible almost to squeeze the life out of the agriculturists and to reduce them to conditions of abject misery and indigence. Co-operators would therefore be guilty of an egregious blunder if the lesson which they had learnt to their bitter cost is all owed to go untransliterated into action now.

It is extremely unfortunate that the stores movement has not made much headway in our Province. Of course, we have the outstanding example of the T. U. C. S. the like of which perhaps we do not find anywhere in India. It was recently given an "Emergency Commission" with every conceivable facility and was charged with the responsibility of catering to the needs of the public at large in the event of a whole sale exodus of merchants due to an imagined emergency as had been the case a few months ago. The staff working under it was declared to come within the purview of the Essential Services Ordinance. The Co-operative movement may well be proud that it had been afforded an opportunity to demonstrate its spirit of self-less service in the face of trying circumstances. But one should wish to see a miniature T. U. C. S. in every small town in our province to subserve the demands of members for various articles of consumption at reasonable rates. The greed and rapacity of the merchants and traders had never been more in evidence than to-day in spite of the wide powers of control exercised by Government and the

elaborate system of penalising the offenders. The conditions brought about by the war and the disequilibrium in the levels of prices are exploited in an unconscionable manner with the result that the consumers are left practically unprotected. The starting of Co-operative Stores Societies, therefore, appears to be a desideratum to meet this new situation. Their future well-being need not obsess our minds at present because I am confident that they would establish themselves so firmly in the existing conditions that they would cause no anxiety for the future. If to-day the Co-operative movement had presented to the Government a large number of well-managed Stores Societies and offered to serve as distributing agents of certain essential commodities, the Government would certainly have accepted the offer with grateful thanks because they are at present reluctantly compelled to recognize merchants and middlemen whose pretensions to honesty are questionable as dealers of essential commodities. At the instance of the Registrar, however, many of the existing Stores Societies have been enjoying certain privileges and are exempted, for the duration of the war, from the operation of the rule prohibiting sales to non-members. I am therefore in favour of starting a large number of stores societies throughout the province with honest, capable and trustworthy people from the ranks of non-official co-operators to work them successfully.

Co-operative Marketing is another important activity which has received considerable attention in the past but which has achieved very little success so far. The problem, I imagine, is more complicated than it appears to be on a superficial examination. The war has added new complications to the existing ones. Nevertheless, the problem has got to be satisfactorily solved if the vital interests of the agriculturist are to be really protected and safe-guarded. In a recent Press Note, the Government indicated their desire to construct godowns in a large number of mofussil places. This is undoubtedly a step in the right direction but there are several other difficulties, chief among which is the apathy of the agriculturist himself. The villagers have got to be educated further in regard to this matter and the problem solved in a satisfactory manner before we can claim to have placed the agricultural producer on a stable economy.

* * * *

Lost and Found.

Will the Member of the Board of Management of the Provincial Co-operative Union who lost his "Fountain Pen" on 31st October, kindly communicate with the office? The pen will be restored to him—*Editor*.

International Co-operative Day.

Madras.

Under the auspices of the Madras Provincial Co-operative Union, the International Co-operative Day was celebrated on November 7, in the Servants of India Society, Royapettah, with the Hon. Mr. V. Ramadas Pantulu in the Chair. Mr. V. Viyyanna, Joint-Secretary, welcomed the gathering and stressed the importance of the observance of the Day to proclaim the conviction that the final salvation of the world lay through the acceptance and observance of co-operative principles only. He pleaded for the utilisation of co-operative societies by the Government for distribution of consumers' goods so that the Agriculturist ryot may have his legitimate share of the fruits of his labour without paying an unreasonable price for consumers' goods. He stressed the need for the Government to buy and distribute through co-operative societies.

The Hon. Mr. V. Ramadas Pantulu then delivered his speech. He read a Message received from Mr. Palmer, Vice-President and Miss Pooley, Secretary, International Co-operative Alliance saying the Alliance wished just settlement of Indian problems and better opportunities for co-operative development. Mr. Ramadas warned that Indian co-operators should not be under the illusion that the termination of the war would see any big political or economic miracle. He feared pre-war nationalisms would not vanish completely and each nation will have to work out its own political, social and economic environment aided by the revised ideals of self-determination and mutual co-operation. He pleaded for the observance of the principles, ideals and methods of co-operation in the future planning of India and that the problems of production, employment, exchange and consumption of goods must be tackled from a new angle of vision and put in a new setting.

Rao Bahadur M. Giriappa gave expression to the fact that the effects of the war are being severely felt in scarcity and abnormal rise in the prices of commodities. No doubt the Government are straining themselves to increase production. But proper method of distribution through the co-operative societies should be devised. The Madras Provincial Co-operative Bank, which has a large fund at its disposal, should take the lead. It should immediately confer with co-operators. He finally made an appeal to the President of the Madras Provincial Co-operative Bank to summon a meeting of the prominent co-operators in the Presidency to draw up a scheme for the supply of food-stuffs.

Mr. Galletti, I.C.S., pointed out the whole Nazi theory is diametrically opposed to co-operative theory. In the future of the world after the war there will be no question of self-sufficiency. Inter-dependance and sharing with one another for the good of the world will be the guiding co-operative principle which must come into action. He observed people who are not born free, or made free can never co-operate with one another. So freedom based on fair play and mutual aid can alone

INTERNATIONAL CO-OPERATIVE DAY

save the world from further disasters as such a freedom will recognise only community of interests and not of race or creed or colour. If co-operative principles had only been firmly rooted, there would not have been room for Nazism or any other Isms.

Dr. Lokanathan emphasised the point of view that after the war, raw-materials must be made available to all countries—European and Asiatic. He pleaded that co-operators in India, should take advantage of the present situation and strain themselves to serve the community. He instanced the part played by the T. U. C. S. in the last emergency and said that the experience gained especially in regard to methods of storing should not be forgotten. He earnestly pleaded that the Government should take advantage of co-operative organisations who will easily play the part of fair price shops and thereby assist the Government in their methods of price control. Even if the Government were not prepared to do so, he endorsed the suggestion of Mr. Giriappa that the Provincial Bank should not hesitate to take the lead as it can well afford to do so. After all, self-help is the best help, especially when we are in a position to help ourselves. The Government cannot refuse such facilities as co-operative organisations may need to play the role of distributive agencies and then moved the following resolution.

The Call of the I. C. A.

On the occasion of the Twentieth International Co-operative Day, and in the third year of the greatest conflict between nations which the world has ever seen, the *International Co-operative Alliance* declares its unshakable conviction that Universal and Enduring Peace can only be assured if it is based upon the Highest Ideals of the Human Family—Ideals of Brotherhood and Equality of Rights and Benefits—and that the application of the Principles upon which the World Co-operative Movement has been built can make these Ideals a Living Reality in International Relations.

It calls upon Co-operators in countries where they are still free to proclaim their Faith in these Ideals.—

- To Remember, in Sildence, their fellow Co-operators who are Prisoners in their Native Lands* and are enduring the cruelty of a regime which scorns the sacred rights of freedom and seeks to enslave the whole world to its power ;
- To Dedicate themselves* anew to the Service of Co-operation, and to use all their influence to create a Public Opinion responsive to the Co-operative Idea and conducive to a settlement of all social, rational, and international problems in a truly Co-operative Spirit ;
- To Combine their Forces* to secure a Dominant Place for the Co-operative System in the economic life of the world as the best alternative to the capitalist system of greed, in equality, and priviledge : and

To Reiterate the demand that the International Co-operative Alliance, as the most representative Organisation of the People, shall be accorded every opportunity of Contributing to the Establishment of a people's peace and to the Planning of a new world in which all Nations and all Races will Collaborate in a spirit of Solidarity and Freedom.

Hon. Mr. V. Ramadas Pantulu commended the resolution for adoption though some co-operators may like to propose some amendments. Speaking for himself in the interests of India, he is not for free trade.

The resolution was passed.

Mr. R. Suryanarayana Rao proposed vote of thanks to the President, to all the speakers and to those who attended the meeting.

Ellore.

The Twentieth International Co-operative Day was celebrated under the presidency of Sri Rao Bahadur T. S. Rajamayya, Collector of West Godavari. Messrs. S. Rama Rao Naidu, R. V. Rama Rao Naidu, S. K. Sudarsana Rao, Janab Bazli Ali Saheb, K. Nagabhushanam, and M. Viyanna spoke on the occasion on various aspects of the Movement. Resolution circulated by the International Co-operative Alliance was then adopted.

Mayaneor.

Under the auspices of the Servindia Rural Centre, the Day was celebrated with Mr. K. G. Sivaswamy in the chair. Messrs. V. Veeraghava Aiyangar and M. K. Ramachandra Iyer spoke on the occasion.

Namakkal.

Under the auspices of the Namakkal Union, the Day was celebrated with Sri Agniswaran Pillai, Sub-Registrar for L. M. Bank in the chair. Messrs. M. Somasundaram, K. S. Subrahmanyam and Janab Mohideen Saheb spoke on the importance of the Day and the part played by co-operative societies in economic uplift.

Ramachandrapuram.

Mr. B. Venkataratnam Chowdary, President of the Madras Provincial Co-operative Union, presided on the occasion of the celebration of the Day when the draft resolution of the International Co-operative Alliance was adopted.

Bezwada.

Under the auspices of the Co-operative Urban Bank, Bezwada, the Day was celebrated with Mr. Raghavachariar, M. Sc. in the chair. Messrs. D. Venkatakrishniiah, C. Rajagopalachariar, Dr. G. S. Sarma and others spoke on the occasion.

Cuddapah.

The Day was celebrated in the District Co-operative Central Bank, when the draft resolution of the Co-operative Alliance was adopted.

Gudivada.

Sri K. Viswanatha Sastri, District Munsiff presided when the Day was celebrated at Gudivada, and Messrs. G. V. Appa Rao and D. Venkatesvara Rao took part.

Proceedings of the General Body of the P.C.U.

Proceedings of the General Body of the Madras Provincial Co-operative Union held at 2 p.m. on Saturday the 31st October 1942 at the M. P. C. Bank Buildings.

PRESENT.

Rao Saheb T. M. Chinnaiya Pillai, Vice-President of the Union presided.

(List for members present is omitted.)

Rao Saheb J. C. Rayan, Joint Registrar was also present.

1. Consideration of the Administration Report and Audit Review of the Provincial Co-operative Union for the year 1941-42.

Sri K. A. Nachiappa Gounder of Salem spoke on the administration report and stated that it is a matter for gratification that the Union even in these days had been able to make an income by sale of the *Journal of Co-operation* and stressed the need for increasing the number of persons who are being trained as supervisors in the Institutes and also the importance of doing propaganda for non-credit co-operative activities.

As the report had been sent already to members it was taken as read and adopted.

2. Election of 20 honorary members to the General Body as per by-law No. IV(b).

Resolved to elect the following as Hon. Members of the General Body :

1. The Hon'ble Mr. V. Ramadas Pantulu.
2. Dr. P. J. Thomas.
3. Dr. P. S. Lokanathan.
4. Sri K. Bhashyam.
5. Rao Bahadur C. Gopala Menon.
6. Sri G. Harisarvothama Rao.
7. Rao Bahadur P. N. Marthandam Pillai.
8. Sri K. L. Narasimha Rao.
9. Rao Bahadur S. V. Narasimha Rao.
10. Dr. B. Pattabhisitharamiah.
11. Sri M. C. Raja.
12. Prof. K. C. Ramakrishnan.
13. Sri V. V. Ramaswami.
14. Sri G. P. Somasundara Gounder.
15. Sri W. P. A. Soundarapandiyan.
16. Sri R. Suryanarayana Rao.
17. Sri Kaia Venkata Rao.
18. Sri V. Viyanna Pantulu.
19. Prof. S. K. Yegnanarayana Iyer.
20. Sri M. D. T. Kumaraswami Mudaliar.

3. Election of Office-bearers as per by-law No. XVIII (1).

Sri P. S. Kumaraswami Raja proposed that Dr. P. Gurumurti be elected as President.

Sri S. K. Yegnanarayana Iyer seconded.

Sri S. C. Venkatappa Chettiar proposed Sri B. Venkataratnam. Sri S. Venkatarao of Kurnool seconded.

At this stage Dr. P. Gurumurti withdrew his candidature. So Sri B. Venkataratnam of Ramachandrapuram was elected as President.

Rao Saheb L. N. Paramasivam Pillai of Trichinopoly proposed that Rao Saheb T. M. Chinnaiya Pillai and Sri M. Narasanna of Rajahmundry be elected as two Vice-Presidents.

This was seconded by Sri D. Mahalingam of Tanjore. As there were no other proposals the above two gentlemen were elected as Vice-Presidents.

Sri E. S. Ganapathi Iyer of Erode proposed that Messrs. N. Satyanarayana and D. Mahalingam Pillai be elected as Joint-Secretaries, and that V. Viyyanna as local Secretary.

Sri P. S. Kumaraswami Raja seconded the proposals.

Sri M. Narasanna of Rajahmundry proposed that Sri M. S. Narasimha Rao of Nellore be elected as Secretary.

This was seconded by Sri S. Venkata Rao of Kurnool.

Accepting the convention that one Secretary be elected from North and one from South and that the third from the City, it was resolved that Messrs. D. Mahalingam Pillai of Tanjore and V. Viyyanna (Madras) be elected as Secretaries for South and for the City.

At this stage election of the Secretary for the North was demanded by the House by show of hands.

Sri N. Satyanarayana got 52 votes

Sri M. S. Narasimha Rao got 44 votes

Then Sri N. Satyanarayana was declared elected as the Secretary for the North.

4. Election of 8 members to the Board from Central Banks as per by-law No. XX (2) (a).

The House resolved by a majority to take up item No. 5 and the above subject, election of 8 representatives from Central Banks Constituency as last.

5. Amendments to the Constitution :

In respect of amendments notice of which was given by Sri R. Suryanarayana Rao, Sri T. A. Ramalingam Chettiar proposed that as the amendments were not considered either by the Executive Committee or by the Special Committee of the P. C. U., it would be better if the amendments were considered by a special committee or by the Executive

Committee before being considered by the General Body. This suggestion was accepted by the Mover of the amendments and the House therefore resolved that the amendments be referred to a Committee consisting of the Executive Committee of the Union and Messrs K. M. Chengalroya Iyer, E. S. Ganapathi Iyer and M. S. Narasimha Rao.

6. Sri K. Marappa Gounder of Namakkal moved the following resolution :

1. "Resolved that the General Body of the Union requests the Registrar of Co-operative Societies to enact necessary by-laws so that the Co-operative Unions and Sale Societies in the Presidency may elect on firka basis Governing body and the committee members before December every year."

Sri T. A. Ramalingam Chettiar proposed an amendment that the majority of the seats may be allotted on the group system instead of that all seats be allotted on the group system.

The proposition was carried as amended by Sri T. A. Ramalingam Chettiar.

The following resolution, of which notice was given, was withdrawn by the Mover.

2. Resolves that if the President fails to call for a meeting of the General Body when a requisition is made by 15 members, the members who signed the requisition may authorise a member to call for a meeting. The General Body of the Provincial Co-operative Union requests the Registrar to accept the resolution and add the same to the existing by-laws.

7. Election of 8 members to the Board from Central Banks as per bylaw No. XX (2) (a).

The following were elected to the Board :

- Tamil Districts. 1. Sri R. Krishnaswamy Iyengar.
2. „ P. Allapichai.
3. „ G. M. G. Sundarappa Naidu.

- Telugu Districts. 1. Sri N. A. Ramachandramurthy.
2. „ M. S. Narasimha Rao.
3. „ S. R. Vijayaramayya Chetty.

- South Canara. Sri M. Shiva Rau.
Malabar. „ M. M. Kunhirama Menon.

8. The General Body placed on record its deep regret on the deaths Sir K. V. Reddi Nayudu, one of the Hon. Members of the Union, and Sri O. M. Venkatanatha Iyengar, one of the original foundation Members of the Union.

Proceedings of the Board of Management of the M. P. C. Union held at 4 p.m. on Saturday the 31st October 1942 at the M. P. C. Bank Buildings:—

Sri B. Venkataratnam ... President & Chairman of the meeting.

(List of Members present omitted.)

1. Co-option of three honorary members to the Board of Management as per by-law No. XX (1) (h).

Sri V. Chinnakrishna Naidu proposed that Sri S. V. Narasimha Rao be elected to the Board.

Sri N. Narasanna of Rajahmundry seconded.

Sri D. Mahalingam Pillai of Tanjore proposed that Messrs. P. N. Marthandam Pillai, K. L. Narasimha Rao and M. D. T. Kumaraswami Mudaliar be elected. Sri M. Shiva Rau seconded the proposal.

Sri K. L. Narasimha Rao withdrew.

So Rao Bahadur S. V. Narasimha Rao, P. N. Marthandam Pillai and M. D. T. Kumaraswami Mudaliar were declared elected.

2. Election of three members to the Executive Committee as per by-law No. XXI (2) (g).

Sri D. Mahalingam Pillai proposed that Messrs. P. S. Kumaraswami Rajah, Dr. Naganna Gowd and M. Shiva Rau be elected as members of the Executive Committee. Rao Bahadur N. R. Samiappa Mudaliar seconded the proposition.

At this stage Sri V. Jaggaraju of Amalapuram raised a point of order that unless due notice was given to the newly elected members of the Board of Management from the Honorary Members this election could not be held.

This objection was over-ruled.

Sri K. P. Subramania Udayar proposed that Messrs. N. Varadaraja Reddiar and D. F. Yusuf Mohideen Ansari be elected as members of the Executive Committee. Sri S. Subbiah Mudaliar seconded the proposition.

Sri S. R. Vijayaramiah Chetty proposed that Messrs. M. A. Reddi and S. V. Narasimha Rao as members of the Executive Committee. This was seconded by Sri V. Jaggaraju.

Sri A. Veluswamy proposed that Mr. P. Allapichai. This was seconded by Sri V. D. Ramaswami Pillai.

Sri M. Seetharamiah proposed that Sri M. S. Narasimha Rao. This was seconded by Sri B. Ramayya.

Mr. P. Allapichai proposed that Sri V. Chinnakrishna Naidu. This was seconded by Mr. A. Velusamy.

Then ballot was taken:

Sri P. S. Kumaraswamy Raja	...	22 votes.
" Nagan Gowd	...	10 "
" M. Shiva Rau	...	8 "
" Varadaraja Reddiar	...	6 "
D. K. Yusuf Mohideen Ansari	...	11 "
Sri E. S. Ganapathi Iyer	...	9 "
Sri M. A. Reddi	...	6 "
Sri S. V. Narasimha Rao	...	7 "
Janab P. Allapichai	...	6 "
Sri M. S. Narasimha Rao	...	7 "
Sri V. Chinnakrishna Naidu	...	6 "

Messrs. P. S. Kumaraswami Raja, D. K. Yusuf Mohideen Ansari Sahib, and Dr. Naganna Gowd were declared elected.

3. Election of a representative to the Standing Committee of the All-India Co-operative Institutes Association.

Resolved that the matter be dealt with by the Executive Committee as usual.

4. Ratification of the resolution circulated amongst the members of the E. C. on 10-9-1942 regarding Mr. R. S. Rao to be Member-in-charge of the office, authorising him to operate on the accounts of the Union and also to be the publisher of the Journal of Co-operation.

"Ratified."

5. Consideration of the budget for 1942-43.

Budget was approved with the amendment that all the employees of the Union shall be paid at the rate of Rs. 5 per mensem as dearness allowance during the period of war with effect from 1-10-1942.

It was also resolved that the following revised scale of pay be sanctioned.

Accountant	...	45—2½—60	immediate salary	Rs. 45
Typist-clerk	...	35—2½—50	"	" 35
Attender	...	20—1—25	"	" 25
Peon	...	15—1—20	"	" 20

As regards Accountant and Clerk the increment should be biennial.

6. As regards T. A. the same rate will be made applicable to Board Members and Executive Committee Members. The rates should be as fixed by the Executive Committee in resolution No. 2 (2) of 7-3-42.

- (i) Single Inter Class fare each way; if Inter Class is not available, one and a half III class fare each way;
- (ii) Rs. 3/- for each day of the meeting; no other allowance;

- (iii) Where regular bus or canal services are available only actual bus or canal fare alone will be paid; in cases where there are no bus or canal service *two annas* per mile will be paid;
- (iv) When both bus and railway services are available the cheaper service will be paid for;
- (v) Where there are more than one route, the charges for the cheaper route will be paid.

7. Letter from the members of the staff for increased dearness allowance as per Government Rules.

(See resolution in respect of subject No. 5)

8. Affiliation of Societies: To affiliate the following societies and to consider whether primary societies with unlimited liability can be affiliated.

1. Sholavandan Co-operative L. M. Bank.
2. Namakkal taluq Co-operative Sale Society.
3. Coimbatore Central Co-operative Stores.
4. Chitaranjan Co-operative Credit Society. (unlimited).

"Societies 1, 2, and 3 may be affiliated."

No. 4 may be referred to the by-laws amendments committee for consideration of the principle of affiliating unlimited liability societies.

9. Disaffiliation:

Bobbili Sugarcane Growers' Co-operative Society.
"Disaffiliate."

10. Resolutions and motions of which notice is given.

The following resolution given notice of by Sri E. S. Ganapathi Iyer was not moved as he was absent from the meeting.

Resolved to request the Registrar to the suitable early steps for purposes of solving the problem of financing Long Term Mortgage Banks, preferably by converting the present Central Land Mortgage Bank into a "Central Land and House Mortgage Bank."

11. Any other subject:—

The Board placed on record its appreciation of services of Rao Saheb T. M. Ghinnaiya Pillai as Vice-President in charge of the Union, Sri K. Bhasbyam as Secretary of the Union, and Sri R. Suryanarayana Rao as member-in-charge of the Union during the unavoidable absence of Sri K. Bhasbyam.

A Pleasant Function.

(From a Correspondent.)

It is well known that Sri T. A. Ramalingam Chettiar, M.L.C., is a pioneer in many fields of co-operative activity. Whenever a new venture is launched, one cannot but think of associating him with it prominently. So when the Madras Provincial Co-operative Marketing Society was thought of a few years ago, he was requested to be its President, which office he held with distinction and relinquished it only a short while ago enlisting the good offices of Sri Rao Bahadur M. Giriappa to take his place. It was but proper that a tribute should be paid to Sri T. A. Ramalingam Chettiar for the services he has rendered to the Marketing Society by unveiling his portrait. This pleasant function took place on the 20th November in the premises of the Society. The ceremony was performed by Mr. W. R. S. Sathianathan, M.A., I.C.S., Registrar of Co-operative Societies.

To those who were the unfortunate witnesses to the rowdy scenes enacted at the last Provincial Co-operative Conference when certain pertinent remarks made by Sri Chettiar were strongly resented by some non-official and official co-operators, which might have caused the impression to outsiders that Sri Chettiar had ceased to be a force for the good of the Movement, the tribute paid by the present Registrar in unveiling the portrait will not come as a surprise. Mr. Sathianathan said what was needed is more "human material" in the non-official field. Sir Frederick Nicholson wanted to find a Raiffeisen and in Sri Chettiar we have found one for the Movement. He is a man of powerful and forceful character combined with business ability. He possesses legislative experience extending over more than quarter of a century. He has ungrudgingly placed his talents at the disposal of the Movement. The success of all the co-operative ventures with which he is connected is a clear indication that his association has always proved definitely a force for good. It is some times said Sri Chettiar is truculent. In his opinion he is not so. He holds definite opinions on men and things based on knowledge and experience and he fights for them, all the while actuated by a spirit of give and take so very essential in the co-operative field. Mr. Sathianathan said that he considered it a privilege to be associated with Sri Chettiar in the Movement and thanked Sri Rao Bahadur M. Giriappa for giving him an opportunity to express publicly what he felt for Sri Chettiar and his contribution to the Movement.

Sri Rao Bahadur M. Giriappa thanked the Registrar for so readily agreeing to take part in the function and for the tribute he had paid to Sri Chettiar which co-operators feel he richly deserved.

List of Societies Registered and Cancelled.

List of Societies Registered in April 1942.

S. No.	Name of Society.	District.
1	The Kottur Co-operative Stores	... Bellary.
2	The Nagardadona Co-operative Credit Society	... "
3	The Alur Co-operative Stores	... "
4	The Siruguppa Co-operative Stores	... "

May 1942.

5	The Kudligi Co-operative Stores	... "
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June 1942.

6	The Kosigi Weavers' Production and Sale Society, Ltd.	... "
7	The Bellary Central Co-operative Stores, Ltd.	... "

July 1942.

8	The Kalekurthi Co-operative Credit Society	... "
9	The Kampli Co-operative Stores, Ltd.	... "
10	The Posts & Telegraph Co-operative Stores, Ltd.	... Madras.
11	The Tellicherry Women Fishing Net Makers' Co-operative Society, Ltd.	... Malabar.
12	The Arantangi Co-operative Stores, Ltd.	... Tanjore.
13	The Peralam Co-operative Stores, Ltd.	... "
14	The Mayavaram Town Co-operative Milk Supply Society	... "
15	The Sekar Sri Sundaresaswami Co-operative Society.	... "

August 1942.

1	The Kothapally Co-operative Society	... Vizagapatam.
2	The Narasannapeta Co-operative Stores, Ltd.	... "
3	The Madgole Co-operative Stores, Ltd.	... "
4	The Pudimadaka Fishermen Co-operative Society, Ltd.	... "
5	Sri Anandeswara Co-operative Society	... "
6	Sri Satyanarayana Co-operative Stores, Ltd.	... "
7	The Kunavaram Co-operative Stores, Ltd.	... E. Godavari.
8	The Pedakapavaram Co-operative Credit Society	... W. Godavari.
9	The Undi Co-operative Stores, Ltd.	... "
10	The Ajjamuru Co-operative Credit Society	... "
11	The Pathapadu Co-operative Fishermen Lease Society, Ltd.	... "
12	The Peteru Markandey Weavers' Co-operative Sale Society, Ltd.	... Guntur.
13	The Nellore Government Servants' Co-operative Stores, Ltd.	... Nellore.
14	The Peddamandiem Date Palm Mat Weavers' Co-operative Sale Society, Ltd.	... Chittoor.

LIST OF SOCIETIES REGISTERED AND CANCELLED

S. No.	Name of Society.	District.
15	The Huvvinahadagali Co-operative Stores, Ltd.	... Bellary.
16	The Manimangalam Co-operative Stores, Ltd.	... Chingleput.
17	The Madurantakam Co-operative Stores, Ltd.	... "
18	The Sirucherri Co-operative Agricultural Colonisation Society	... "
19	The Sendivakkam Co-operative Agricultural Colonisation Society	... "
20	The Old Gummidipoondi Co-operative Stores, Ltd.	... "
21	The Dasarapuram Co-operative Stores, Ltd.	... "
22	The Tirukalikundram Co-operative Stores, Ltd.	... "
23	The Chingleput District Co-operative Wholesale Stores, Ltd.	... "
24	The Tinnanur Milk Supply Society, Ltd.	... "
25	The Palakurichi Co-operative Society	... Tanjore.
26	The Kumbakonam Sowrastra Weavers' Co-operative Society, Ltd.	... "
27	The Trichy. Mills Employees' Co-operative Stores, Ltd.	... Trichinopoly.
28	The Kallakuruchi Co-operative Credit Society	... Ramnad.
29	The Sohilupatti Co-operative Credit Society	... "
30	The Ilayangudi Co-operative Stores, Ltd.	... "
31	The Ramnad Government Women Training School Co-operative Stores, Ltd.	... "
32	The Walajapet Co-operative Stores, Ltd.	... N. Arcot.
33	The Kosapet Co-operative Stores, Ltd.	... "
34	The Attur Co-operative Stores, Ltd.	... Salem.
35	The Gnanambika Mills Co-operative Stores, Ltd.	... Coimbatore.
36	The Nadapuram Agricultural Improvements Co-operative Society	... Malabar.

September 1942.

37	The Polur Co-operative Stores	... N. Arcot.
38	The Sri Rama Co-operative Milk Producers Society	... Vizagapatam.
39	The Cheepurupalli Co-operative Stores Ltd.	... "
40	The Ponduru Co-operative Stores Ltd.	... "
41	The Bimilipatam Co-operative Stores Ltd.	... "
42	The Srungavarapukota Co-operative Stores Ltd.	... "
43	The Gajapathinagaram Co-operative Stores Ltd.	... "
44	The Amudalavalasa Co-operative Stores Ltd.	... "
45	The Thimmapuram Co-operative Credit Society	... "
46	The Sri Radha Krishna Co-operative Stores Ltd.	... "
47	The Naupada Co-operative Stores Ltd.	... "
48	The Kinthadakotapadu Co-operative Stores Ltd.	... "
49	The Bobbili Co-operative Stores Ltd.	... "
50	The Palasa Co-operative Stores Ltd.	... "
51	The Kasimkota Co-operative Stores Ltd.	... "

THE MADRAS JOURNAL OF CO-OPERATION

S. No.	Name of Society.	District.
52	The Peddapuram Co-operative Stores Ltd.	... East Godavari.
53	The Nidadavole Co-operative Stores Ltd.	... West Godavari.
54	The Mangalagiri Co-operative Stores Ltd.	... Guntur.
55	The Guntur Municipal Employees' Co-operative Society Ltd.	... "
56	The Perukalapudy Sri Kodandarama Co-operative Credit Society	... "
57	The Pedapalem Sri Kodandarama Co-operative Credit Society	... "
58	The Chinnakurty Co-operative Stores Ltd.	... "
59	The Nayudupet Co-operative Stores Ltd.	... Nellore.
60	The K. Ananthapuram Co-operative Society	... Cuddapah.
61	The Chowtapalle Co-operative Society	... "
62	The Velpula Co-operative Society	... "
63	The Lepakshi Co-operative Society	... Anantapur.
64	The Tinnanur Co-operative Stores Ltd.	... Chingleput.
65	The Nagalapuram Co-operative Stores Ltd.	... "
66	The Pukkathurai Co-operative Stores Ltd.	... "
67	The Elapakkam Co-operative Society	... "
68	The Chittalarai Co-operative Credit Society	... Trichinopoly.
69	The Trichinopoly Posts and Telegraphs Co-operative Stores Ltd.	... "
70	The Srirangam Municipal Menial Employees' Co-operative Society Ltd.	... "
71	The Periasinthalacheri Co-operative Society	... Madura.
72	Sri Athipadmasani Co-operative Stores Ltd.	... Ramnad.
73	The Palayampatti Co-operative Stores Ltd.	... "
74	The Abiramam Co-operative Stores Ltd.	... "
75	The Ambur Co-operative Stores Ltd.	... N. Arcot.
76	The Devarishikuppam Co-operative Credit Society	... "
77	The Melvisharam Co-operative Stores Ltd.	... "
78	The Wandiwash Co-operative Stores Ltd.	... "
79	The Kalavai Co-operative Stores Ltd.	... "
80	The Harur Co-operative Stores Ltd.	... Salem.
81	The Muthumalai Range Forest Employees' Co-operative Stores Ltd.	... Coimbatore.
82	The Andhiyur Co-operative Agricultural Colonization Society	... "
83	The Gettisamudram Co-operative Agricultural Colonization Society	... "
84	The Athani Co-operative Agricultural Colonization Society	... "

LIST OF SOCIETIES REGISTERED AND CANCELLED

List of Societies Cancelled during July & August 1942.

S. No.	Name of the Society.	District.	Date of Cancellation of Registration.
1	Pullur Co-operative Society	... S. Arcot	... 10-7-42.
2	Yerur Co-operative Society	... Nellore	... "
3	Thalamudipi Xian Co-operative Society.	Kurnool	... 11-7-42.
4	Rayavaram U. L. C. M. C. S.	... Guntur	... 14-7-42.
5	Pasalapoodi Co-operative Stores	... E. Godavari	... "
6	Nagisetipalle Xian Co-operative Society	Cuddapah	... "
7	Kamakkoorpalayam Co-operative Society	N. Arcot	... 16-7-42.
8	Ongole Xian Co-operative Society	... Guntur	... "
9	Sirumaiyilur Co-operative Society	... Chingleput	... "
10	Villupuram Co-operative Stores	... S. Arcot	... 21-7-42.
11	Kadavacheri Field Labourers' Co-operative Society	... S. Arcot	... 23-7-42.
12	Tirupper Co-operative Society	... Chingleput	... 25-7-42.
13	Padirakudi Co-operative Society	... Tanjore	... "
14	Mannurkizhkkumbram Weavers' Co-operative Sale Society	... Malabar	... 29-7-42.
15	Sullurpet Vysya Co-operative Society	... Nellore	... "
16	Ayyalur Co-operative Society	... Kurnool	... "
17	Bandalli Co-operative Society	... Coimbatore	... 30-7-42.
18	Ramaswaram Field Labourers' Co-operative Society	... E. Godavari	... "
19	Perla Satyanarayana Co-operative Stores	... S. Kanara	... "
20	Madanembedu Co-operative Society	... Chingleput	... "
21	Neiveli Co-operative Society	... "	... "
22	Chanugondla Co-operative Society	... Kurnool	... 4-8-42.
23	Pedapatnam Lanka Agnikula Kshatria Co-operative Society	... E. Godavari	... 5-8-42.
24	Muchumari Xian Co-operative Society.	Cuddapah	... 8-8-42.
25	Nagandur Co-operative Society	... S. Arcot	... 9-8-42.
26	Rajahmadam Board Middle School Students Co-operative Stores	... Tanjore	... 10-8-42.
27	Tirur Co-operative Stores	... Malabar	... 11-8-42.
28	Sathianadhapuram Adi Dravida Co-operative Society	... Trichinopoly	... "
29	Edirkottai Reddiapatte Co-operative Stores	... Ramnad	... 13-8-42.
30	Ambil D. C. C. S.	... Trichinopoly	... "
31	Karakunnu Co-operative Society	... Malabar	... 14-8-42.
32	Vilayil Co-operative Society	... "	... "
33	Velanka Co-operative Society	... E. Godavari	... "
34	Inugunta Co-operative Society	... Nellore	... 17-8-42.
35	Tiruchinampoondi F. L. C. S.	... Tanjore	... "

A High Court Judgment.

Copy of the order issued by the Honourable Sir Alfred Henry Lionel Leach, Chief Justice and the Honourable Mr. Justice Lakshmana Rao on Tuesday, the fifteenth day of September, one thousand nine-hundred and forty-two, in the High Court of Judicature at Madras, in Civil Miscellaneous petition No. 2007/1942.

- | | | |
|---|-----|--|
| 1. Y. Nagabhushanam | ... | <i>Petitioner (1st defendant.)</i> |
| 1. Yendiuri Venkateswarlu | } | <i>Respondents.
(Plaintiff and 2nd defendant).</i> |
| 2. Deputy Registrar of Co-operative Societies, Guntur | | |

Petition praying that in the circumstances stated in the affidavit filed therewith the High Court will be pleased to call for the records in Dispute No. 143 of 1942 on the file of the Deputy Registrar of Co-operative Societies, Guntur, and to issue a writ of certiorari prohibiting the respondents herein from proceeding with the said dispute No. 143 of 1942.

ORDER: (The order of the Court was delivered by the Hon'ble Chief Justice.)

This application must be dismissed. The petitioner is a member and at all material times was a director of the Nidubrole Sale Society which is registered under the Madras Co-operative Societies Act, 1932. It is his case that on the 26th January, 1941, he borrowed from the society in the name of his brother, the first respondent, the sum of Rs. 1,220. According to him, the reason why he borrowed the loan in the name of his brother was that he was a director of the society and had not repaid a previous loan. He alleges that he deposited as security for the loan of Rs. 1,220, 299 bags of paddy. The loan was admittedly repaid on the 4th October, 1941 and the petitioner took possession of the paddy. The first respondent denies that he acted as a binamidar for his brother and avers that the Rs. 1,220 was borrowed by himself on the security of his own paddy. He says that his brother had no interest whatever in the 299 bags which formed the security. In February 1942 the first respondent applied under section 51 of the Madras Co-operative Societies Act for the award in respect of the security of which the petitioner had taken possession. In his statement of claim he alleged that the second respondent who was the Secretary of the society had colluded with the petitioner and as the result of the collusion the petitioner had been able to take possession of the 299 bags of paddy. The Registrar of Co-operative Societies referred the matter to the Deputy Registrar for decision.

When the matter came before the Deputy Registrar, the petitioner contended that the Registrar had no jurisdiction to refer the question to the Deputy Registrar for decision and that the first respondent's remedy, if any, was in the civil court. The Deputy Registrar overruled this objection and the petitioner now applies to this court to quash his order in certiorari proceedings.

A HIGH COURT JUDGMENT

Section 51 of the Act says *Inter Alia* that if a dispute touching the business of a registered society arises among members, past members and persons claiming through members, past members and deceased members, or between a member, past member, or persons claiming through a member, or past member or deceased member and the society or its committee, or any officer, agent or servant of the society, the dispute shall be referred to the Registrar for decision. Now the petitioner and the first respondent are members of the society and the second respondent is an officer of it. Therefore the dispute is between a member on the one hand and another member and an officer on the other hand. If the dispute is one which touches the business of the society the Registrar has power to hear and decide it or refer it to the Deputy Registrar for this purpose.

The dispute is with regard to the right to receive from the society the paddy which was given as security on the 26th January, 1941. The society had power to accept security for the loan and it was bound to return the paddy to the person who had deposited it as security. The petitioner says that he deposited it. The first respondent denies the claim and says that he provided the security. It seems to us that this is a question which touches the business of the society and that the Registrar has jurisdiction in the matter. The petition will be dismissed with costs.

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**The Madras Handloom Weavers'
Provincial Co-operative Society, Ltd.,**

1/159 Mount Road, MADRAS.

Orders and Circulars.

D. 8714/41 A.

23rd October 1942

Sub: Bad debts reserves of primary societies—Investment of—
Ref: Registrar's Circular R. C. No. 8714/41 A. dated 20-2-42.

To hasten the investment of bad debt reserves of primary societies separately, central banks were advised to adopt a by-law providing for the appropriation of a certain percentage of remittances from societies having bad debts reserve towards such reserves. It was suggested that the total sum so credited in a year should not be less than 10 per cent. of their bad debt reserves. One central bank pointed out that the adoption of the by-law suggested would interfere with the recovery of loans from societies having overdues under principal to central banks. The Registrar considered whether the modification of the by-law providing that at least 1/10th of the bad debt reserves was set apart every year from remittances, would not secure the interests of the societies as well as the financing banks and invited the opinion of the Madras Provincial Co-operative Bank and some central banks on the proposal.

2. A majority of the banks consulted agreed to the suggestion while one bank expressed that even this modification would not help the realisation of overdues satisfactorily. The question came up for consideration at the Central Banks' Conference held on 25-7-42 and the conference recorded the following resolution.

'This conference is of opinion that it will not be feasible to make compulsory appropriation of a tenth of the remittances from societies towards bad debt reserve, since repayments are earmarked for loans'.

This view was held by one other central bank also and this bank stated that practical difficulties might result from the appropriation of remittances to bad debt reserves. A suggestion has also been made that the societies may be advised to make separate remittances in this respect.

3. Having regard to these opinions, the Registrar does not propose to press on central banks his suggestion to adopt a by-law. The principle that bad debt reserve should be invested separately having been accepted by the Central Banks' Conference held in 1940, it is up to the central banks to implement the resolution of the conference. It ought to be sufficient if the investment is done in the course of not more than ten years no matter whether it is by the appropriation of remittances made by societies or by the societies themselves making remittances separately for the specific purpose. The objection raised to the appropriation of bad debt reserves from remittances will disappear if standing requisitions

are obtained from societies agreeing to the allocation of a certain percentage of remittances towards bad debt reserve. The Registrar trusts that the Central Banks will take such steps as will ensure the investment of the entire bad debt reserves of societies within a period of not more than 10 years. In case the progress in this respect is not satisfactory, he may have to consider the question of introducing a rule under section 65 (2) of the Madras Co-operative Societies Act just to see that the decision of the Central Banks' Conference of 1940, that bad debt reserves should be invested separately, is given effect to.

R. C. 7154/42 A.

24th October 1942.

Sub: Primary credit societies—Loans on the pledge of produce—Insurance etc.

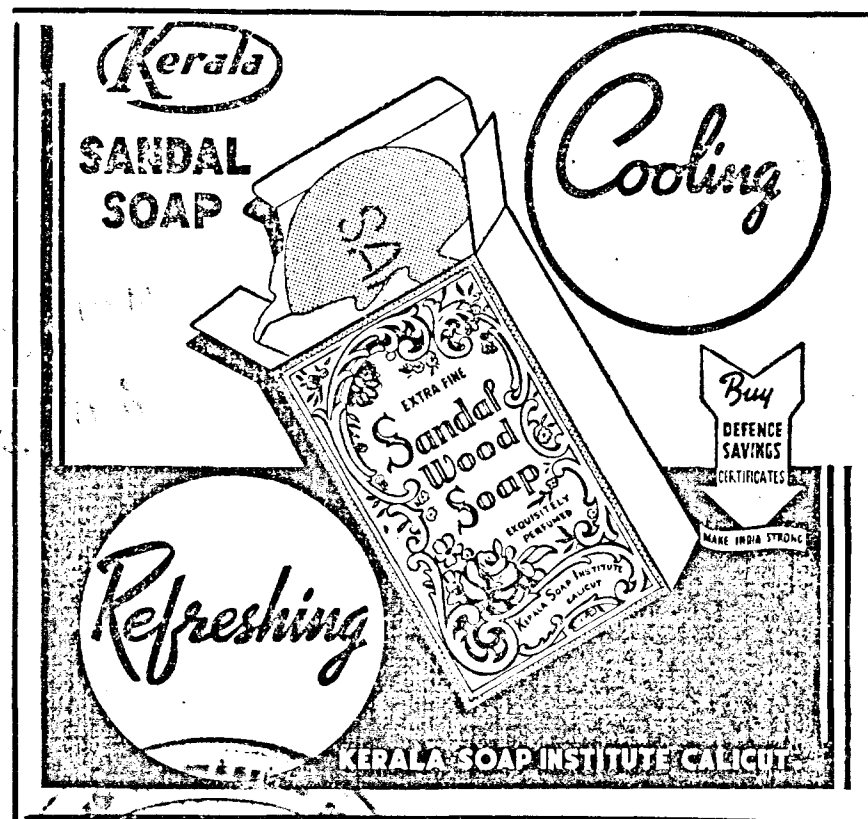
Ref: Registrar's R. C. 3315/41 A dated 9-1-1942.

In the circular cited above, it was suggested that village credit societies might issue loans on the pledge of produce to small growers up to sums not exceeding Rs. 1,000. It has been brought to the notice of the Registrar that the produce pledged in such cases is not insured against fire. There are obvious advantages in insuring the produce against fire. In the event of an accidental loss through fire, the insurance company will come to the rescue of the borrower for the discharge of loans. If, on the other hand, the produce is not insured, the members will be obliged to repay the loans from their other resources and they will have to part with the properties in most cases.

2. One argument usually advanced against insurance is, that the godowns in which the produce in villages is kept being generally improvised ones, insurance companies charge a high premium and the loans obtained from societies become hardly remunerative. The Registrar has examined the rates charged by the Fire and General Insurance Co-operative Society and found that the rate of premium payable by a member on a loan for 6 months is Rs. 0-3-0 per cent in the case of non-hazardous produce stored in pucca godowns, gadis or pits and Rs. 0-4-0 per cent. in the case of such produce stored in Kutcha Gadis, Puris or Kuttoos. The rates charged by the Insurance Society as well as the condition of the several types of godowns to be eligible for insurance, are printed at pages 2 to 7 of its prospectus. It cannot be said that these rates are high. Further at the recent Central Banks' Conference the amount of loans on which insurance may be waived, has been raised from Rs. 250 to Rs. 500. Thus insurance will be compulsory only in cases where the loan exceeds Rs. 500. Such loans will be very few as the village societies are permitted to lend up to Rs. 1,000 only in individual cases. Central Banks are, therefore, requested to see to it that their affiliated societies invariably get the produce insured against fire before granting loans on its security.

3. As regards the custody of keys of the godowns, it is suggested that they may remain with the Panchayatdars of societies, provided collateral securities in the shape of unencumbered immoveable properties have been taken from the borrowers and provided also the Panchayatdars give an undertaking that they would be responsible for the safe custody of the produce.

4. It has been represented that some central banks charge a higher rate of interest on loans issued to primary societies for giving produce loans than the rate charged to sale societies for the same purpose. The Madras Provincial Co-operative Bank charges the same rate on its loans whether for financing sale societies or for granting loans to primary societies. There is no reason why the central banks cannot adopt the same practice at least when the purpose for which they are lent to sale and credit societies, is the same. The last Central Banks' Conference suggested that central banks and societies might charge interest on produce loans to village societies at 1 per cent. less than their ordinary lending rate. Central Banks are requested to see that the suggestions contained in the resolution are carried out.



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The Madras Provincial Co-operative Marketing Society, Ltd.

582, Pycrofts Road, Triplicane, Madras.

(Registered Under Madras Act VI of 1932.)

Head Office	...	582, Pycrofts Road, Triplicane, Madras.
Fruit Branch	...	38, Bunder Street, G.T., Madras.
Provisions Branches	...	327, Mint Street, Madras.
		1/14, Pondy Bazaar, Theagarayanagar.

President: RAO BAHADUR SRI M. GIRIAPPA, B.A.

The following are the main objects of the society:—

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

Commodities available in the Head Office at Triplicane and Branch at Mint Street.

Handpounded raw rice, milled raw rice, boiled rice, Ghee, honey, toothpowder, seekai, jaggery, dhoil, gingelly oil, turmeric powder, coffee seeds, tea, eucalyptus oil and graded eggs.

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Kodur sathugudi oranges, limes and sapotas.

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(Registered under Madras Act VI of 1932, formerly Act II of 1912)

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MYLAPORE BRANCH: Luz Church Road, Mylapore „ 3334.
EGMORE „ Ebrahim Colony, Egmore „ 8510.
TRIPPLICANE „ 111, Big Street, Triplicane „ 86196.

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

Secretary: T. RAGHAVENDRA RAO.

The Bank is the chief organisation for providing credit to the agriculturists of the Province.

The Bank acts as Bankers to the Madras Corporation, University of Madras, Andhra University, Annamalai University and the various Local Boards and District Municipalities.

For rules and terms of business, apply to :—

THE SECRETARY, HEAD OFFICE, OR
 ANY OF THE BRANCHES.

The Madras Co-operative Central Land Mortgage Bank, Ltd.

M. P. C. Bank Buildings, Luz, Mylapore, Madras.

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

The 33rd series of debentures for Rs. 20 lakhs bearing interest at 3 per cent. issued at par was fully subscribed and closed. It is expected that the next series will be issued in about 4 months.

N. S. KONETI RAU, B.A., B.L.

Dated, 19-9-42.

Secretary.