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THE

Madras Journal of Co-operati

EACH FOR ALL, AND ALL FOR EACH

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Editorial Notes.

Co-ops. and Food Problem :

It is with peculiar pleasure we publish elsewhere a contribution giving instances how the co-operatives have helped the public and checked profiteering and rise in prices and we invite the attention of the Government to this valuable contribution. These co-operatives are meant 'to check profiteering by private dealers, to bring down prices in the market, to maintain them at a reasonable level and to relieve distress in regard to food supplies in the event of an emergency.' Besides the contribution published elsewhere, accounts of the activities of the stores and the part played by them in the solution of the problems relating to procurement and distribution of foodstuffs are being published month after month in the pages of this *Journal*. All these conclusively prove that the consumers' co-operatives have been an unqualified success. As we pointed out in the last issue of the *Journal*, the presence of co-operatives is an eyesore even to retail

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[Public]

dealers, and in a country like the United States of America, where co-operatives are better organised, the retail dealers are sponsoring a nationwide movement of protest on the ground that the co-operatives are able to sell goods in some instances even 30 per cent below the individual retail levels. We shall not be surprised if such a movement, as we stated then, has already found its counterpart in this country and every effort is being made to pull down the co-operatives from the place they occupy now in the distribution of foodstuffs. We may be pardoned if we suspect that even in influential quarters where opinions expressed carry weight and often mould policies pursued, a tendency is noticed to 'adhere to the little trader.' *Consumers' Co-operation* for September, 1943, reproduces from the *Scottish Co-operator* an incident which took place in the House of Lords. Referring to the resolution of the Hot Springs Conference which acknowledged the importance of the co-operative movement and recommended that the further utilisation of it should be explored, Lord Beverbrook is reported to have said that the Hot Springs was a 'curious and strange' proceeding. It was decided, he said, that the promotion of co-operative societies would lower the cost of distribution and marketing. But his Lordship declared, 'Great Britain does not believe that co-operative societies lower costs of distribution, but adhere to the little trader.' We shall not be accused of being unfair to any one if we venture to state that there are also such Beverbrooks among those who influence the policies of Government despite the good work done and the vital part played by the co-operatives during these strenuous times. We too must find Beatons to take up the challenge and prove beyond doubt that the co-operatives have been rendering invaluable services.

Emergency:

We must again refer to the recommendations of the Gregory Committee which strongly recommend the utilisation of consumers' co-operative organisations for the distribution of grains. If it is also recognised that these organisations are playing the role of fair price shops and thereby relieving the Government of their responsibility to organise and run them and also in view of the benefits accruing to the public, the price paid for it in the shape of assistance is really very little. We also believe that the existence of the stores is also necessary to achieve, to use the words of the Registrar's circular, 'the ultimate object, viz., to serve as distributors of foodstuffs in the event of an emergency when the normal sources of distribution may break down.' No one can have the hardihood to assume that all

EDITORIAL NOTES

possibility of an emergency arising is ruled out. Moreover, an emergency need not arise merely as a result of enemy action. In view of the difficulties of transport, there appears to be a state of emergency always and it is wise to build up stocks of the essential commodities to meet all possible contingencies. The splendid part played by the Central Stores at Cuddalore in May last, when owing to unprecedented rainfall and floods all means of transport completely stopped, is an instance in point.

At the time the Government scheme was introduced in 34 towns through the agency of Co-operative Wholesale Stores and primary stores, we ventured to plead for its application to a larger number of towns. We learn it has been extended to some more towns though not to as many towns as the needs of the situation demand. We plead for its extension to as many urban areas as possible and thereby Government fulfil the responsibility which devolves on them of running fair price shops. We also urge the need to make greater use of co-operatives in rural areas to undertake supply of foodstuffs and afford them every encouragement in that task, even by extending State help to them.

Since the outbreak of the war, the number of consumers' organisations has increased considerably, nearly fifteen times more in number and their transactions have also recorded a similar increase. Co-operators believe that the consumers' movement has come to stay and it has a greater part to play even when peace-time conditions are established. As one of the measures of post-war schemes of social security and promotion of the new social and economic order, it is necessary that Government should strengthen and assist it by providing adequate staff for direction, supervision and audit. Otherwise there is the danger of these institutions failing to withstand the after-effects of war, a disaster which cannot be even contemplated with equanimity.

Take Heart:

We are gratified to learn that in the speech Mr. Saththianadhan delivered at Salem, a somewhat incorrect version of which appeared in the last issue of the *Journal*, he exhorted co-operators not to feel disheartened and weaken their efforts in the cause of the consumers' movement through which they were doing such good public service simply because there were instances in which the Defence of India Rules were invoked though subsequently all proceedings were dropped after investigation. Vested interests, who would be affected by the progressive development of co-operative stores, might band

themselves, and place impediments. He advised co-operators not to be baulked by obstacles placed in their way but continue their endeavours to serve the public, taking every care not to give room for complaints from any quarter. Need we say we heartily endorse this appeal. At the same time we earnestly plead that the Government should make the custodians of law and order understand and realise that in shouldering the responsibility of the kind which the stores have cheerfully borne, they are rendering a public service and therefore deserve every support. Let it be impressed on everybody concerned that the co-operatives are actuated by service motive while other dealers work for profit. Those whose interests are affected are bound to cry wolf where there is none, and great caution should be exercised before accepting such cries as based on facts and avoid unnecessary harassment and prevent scaring away good and honest persons from the field.

We believe there is greater need for vigilance on the part of the Co-operative Department in creating and sustaining enthusiasm for the consumers' co-operation without allowing any set-backs to mar its progress. This postulates increased supervisory staff who will act as real friends, philosophers and guides.

A Remarkable Achievement :

1942 was a record year for the British consumers' co-operatives as they transacted the greatest volume of business in their history in spite of war-time shortages and restrictions on trade. The total membership rose to 8,924,868, the increase during the year being the highest since the war began, indicating the ever-growing confidence and loyalty. Compared with even 1940 and 1941 retail trade reached the highest mark of \$ 1,277,793,924 in spite of practically no change in the cost of living over the figures for 1940 and 1941. This is truly a remarkable achievement when limitation of supplies reacted more severely during the year. One outstanding fact which should serve as an object lesson to co-operatives in our province is the growing investment by co-operative members. The average figure rose to \$ 80.44. While in our province too there has been phenomenal rise in the business transacted by the co-operatives, which is largely due to sales even to non-members, there has been no corresponding increase in membership and investment by co-operative members. We wish to draw the attention of co-operators to this aspect of our Movement. Every effort should be made to enlist membership and also increase investment. To the extent the stores by their conduct

infuse confidence in the public to that extent there will be response from the public. The advantages derived by joining the co-operatives should be brought home to non-members by propaganda so that every non-member feels impelled to become a member. There should be a publicity section in all wholesale stores which should prepare propaganda material for distribution by primaries and even a membership week or month may be set apart throughout the province when a sustained drive for enlistment may be made. Members should also be induced to increase their share capital so that the borrowings may bear some tangible relation to the paid-up share capital instead of depending too much on cash credit only and doles whatever may be their source. The Triplicane Urban Co-operative Society, which is the premier institution in the country, may as well take the initiative. It is worth while to invest on this task as it will be repaid hundred-fold and ensure solid foundations for the co-operative structure.

Co-operative College :

Time and again we had occasion to refer to the need for starting a Co-operative College as recommended by the Vijayaraghavachari Committee. It is not usually recognised that co-operation is a large and complicated subject requiring complete mastery if those who are to guide the Movement either as workers or as employees have to play their legitimate part. Elsewhere we have reproduced an article from the *Co-operative Review* on 'Co-operative Education' Centres to which we draw the attention of our readers. Besides training the officials of the Movement, the College must also serve members of management and education committees. Everybody in the Movement must become fully aware of the social purpose and nature of co-operation. As the writer of the article rightly points out that unless those who have to shoulder the responsibility for management under the co-operative democratic constitution are fully trained, there is little prospect of the Movement playing its full part in the new social order. We venture to doubt if the training of the kind provided in the existing Institutes, primarily intended for the training of the paid staff, serves the high purpose which a College alone can fulfil with its wider outlook and emphasis on the understanding and appreciation of the social purpose and nature of co-operation rather than on mere details of administration. We plead once more for this higher type of institution for promoting the Movement. The cost involved is comparatively small if the value of benefits accrued

are assessed. When the War is won and peace is restored, the co-operative movement has to play its part in promoting constructive peace measures. Those who take part in this great task must possess an intelligent understanding of the factors which make for peace and of these the most important from the point of view of economic welfare is the promotion of co-operative societies for reducing the costs of production, distribution and marketing. If we have to prepare ourselves for this glorious task, we should be equipped properly. A Co-operative College is a desideratum. As a preparation for post-war reconstruction, it should be established immediately without further delay as owing to the demand the unusual expansion of the Movement has made, it is already getting into the hands of ill-equipped and untutored personnel, least inspired by the idealism for which the Movement stands.

Land Mortgage Banks:

We regret very much we are not able to publish the full text of the proceedings of the Land Mortgage Banks Conference including the resolutions passed as the latter were received even too late for 'Stop Press.' We hope to do so in our next issue and offer our views on some of the main points under discussion. However, we have managed to publish the opening address of Mr. S. V. Ramamurthi, C.I.E., I.C.S., Adviser to His Excellency the Governor, and commend it for the careful perusal of our readers. 'The credit that is based on land is as vital as the energy that is derived from water or the power that is derived from the Sun.' How true these words are can be realised by those who face all odds and cultivate lands and provide food for the millions.

It is gratifying that the replies of Mr. Ramamurthi to the various requests of the Central Land Mortgage Bank were not in the bureaucratic style but showed genuine sympathy and understanding. The points raised have long been outstanding, often repeated and more often in the past treated with scant courtesy. Except on the question of employment of advance collections, there is no difference of opinion among non-official co-operators in respect of other requests. We hope to deal with these and other points arising out of the speeches and resolutions in our next issue.

The Rainbow Flag.

*Unite and raise the rainbow flag
And when it is unfurled,
Plant it upon the highest height
And challenge all the world.*

*Challenge all evil powers that press
The common people down,
All who hold Mammon on his throne,
And all who would Mars crown.*

*Proclaim a common people's peace,
Justice for all mankind,
Full freedom for all men in chains
That other men still bind.*

*Our flag shall never be hauled down,
Though all frontiers will fall,
When those who now strive each for each
Strive not for each but all.*

*Fall in at once and close the ranks,
Follow the flag to-day;
Another rainbow lights the sky,
And also lights our way.*

—Reproduced from 'More New Songs for Co-operators,' Birmingham.

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—Commerce, 29th May, '43.

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GROW FLOWERS FOR PLEASURE AND RELAXATION

Co-operative Societies & the Paper Control Order.

BY K. L. KANTHA RAO, B.A., B.COM.

Whatever may be the effects of the second world war, it has certainly contributed a great deal to the growth of the co-operative movement in India, especially the non-credit side of it. The stores and weavers societies are helping the people to buy their food and clothing requirements at reasonable rates and such of those who are members of such societies have the additional advantage of sharing their profits.

Next to food and clothing, paper is a major need of the people. Why should not paper also be sold through co-operative societies thus eliminating the middleman, the retail paper merchant? There is now a good opportunity of tackling this problem. If there is not enough stock of paper to meet the needs of all people, at least the needs of various co-operative societies in the province may be met through a co-operative agency. The Government has now an idea of meeting a part of the requirements of co-operative societies and for that purpose have secured figures through the Co-operative Department, as to the needs of the various societies.

The Government, of course, will do their best, and the amount of paper it is going to supply and the number and nature of the recipients is not the point now. We are more concerned as to what will be the agency through which such paper will be distributed. Will the Government themselves undertake to do it or leave it to the retail licensed paper merchant who will get his quota from the representatives of Mills. Is it from the 30 per cent reserved for the use of the Government or from the balance made available to the public? Whatever may be the answers to the above questions, we wish that the distribution of paper to co-operative societies should be done through a co-operative agency. We have already the example of the wholesale stores through which the Government distribute rationed foodstuffs to the primary stores societies.

In case the Government undertake to distribute paper to the societies, through a co-operative agency the profits of the middleman, who is the retail paper merchant, will be avoided, the public, through the societies themselves being the gainers.

We now come to the most important point as to which co-operative agency, among the existing ones is best fitted to undertake the task of distributing paper. We may boldly suggest that the Central

Co-operative Printing Works at Madras and the Coimbatore Co-operative Printing Works are best fitted for the purpose. Both these Co-operative Presses are working on sound lines guided by the Department and good Directorates. They have an up-to-date and a thorough knowledge of the paper market which is a pre-requisite for the proper working of a press.

If the two Co-operative Presses be entrusted with the task of distributing paper to the co-operative societies, the former can serve themselves while serving the latter. As matters stand at present, many of the co-operative institutions in the City of Madras and mofussal get their printing requirements from the two Co-operative Presses though, of course, it is not obligatory on their part to do so. It is because they have come to realise that rates charged by the Co-operative Presses are competitive and the execution satisfactory, when compared to the proprietary presses. Such being the case, supposing the Government supply paper to co-operative societies direct or through the retail dealers it has to be passed on to the Co-operative Presses for execution of printing orders, in most cases. This can be avoided when the Co-operative Presses are themselves the distributors of paper. They can supply the societies finished goods and in cases where the societies wish to get their orders executed in their own places, they can arrange to purchase paper only. It is hoped that cases of the latter variety will be few. Thus it will be a great encouragement to the Co-operative Presses, which can develop themselves while serving other societies with the motto of minimum profit and a maximum number of customers.

The Government may fix the rates at which the Co-operative Presses should sell paper to its constituents fixing the commission with due consideration to expenses that may be incurred in the way of godown rent, establishment and other overhead charges.

The above is only a general outline of a humble suggestion of a student of Co-operation and may have certain drawbacks. It may be taken for what it is worth. In case the Registrar of Co-operative Societies feels that it can be worked up, he can fill up the gaps and suggest it to the Government for consideration.

Firewood Problem.

BY DR. E. S. RAMASUBBU, MADURA.

Exactly this time last year I wrote in this *Journal* about the situation of firewood market in Madura City. I sounded a note of warning that it is up to us to revise our ideas as well as our laws in dealing with the profiteer. The firewood hardship is becoming universal. Every city in the province suffers. The profitmaking mischievous element—the commission agents—are the middlemen in the trade. Unless they are eliminated from the field, there cannot be any radical solution and salvation. The earnest intervention of the Government is absolutely necessary. The input into the market as firewood is gradually decreasing. It is due to the fact much firewood is used for burning charcoal. The demand for charcoal is increasing. The quantity even for domestic use has increased. Industrial concerns also have taken to it. Thus the demand for charcoal will necessarily increase by leaps and bounds especially after the war. There is every likelihood of charcoal being utilised in all industrial business houses where machine power is needed. It will take the place of coal. Has it not been satisfactorily substituted for petrol?

Almost in every district in the presidency firewood prices have been controlled. Are they being strictly adhered to in practice? Control price system is very good, but it acts in reverse direction when it is not effectively enforced. With sufficient experience at my back I am confident enough to assert that supervision by the authorities is really warranted more at the initial than at a later stage. Prevention gives better results than the punitive. In Madura the control price stands at Rs. 23 per ton for logs, but the black market price or shall I say, the daylight price is Rs. 40 per ton. No doubt hundreds of loads are arriving daily. Everything miraculously disappears. Almost all the retail depots are empty. Consumers are accused of non-co-operation. Feeble enforcement of law and order are levelled against the authorities as a charge. Whatever be the case, the patent fact is there. The public, especially the poor and the middle class sections actually suffer. The cry is provincial at present.

I have been watching the market in Madura closely since many years. Madura District cannot be said to be a deficit one. Despite this fact, a gradual growing-trouble was anticipated so early as on 1940. A co-operative firewood supply scheme was thought of. Though there

was enough support it can not be said that really deserving support came forth from public. Mr. S. A. Venkatraman, I.C.S. recognised the necessity. He gave a ready and willing hand. For collecting share capital department also helped. After a long controversy the Government sanctioned two reserve forest coupes as an experimental measure. Their estimated yield was 1260 tons per year. They are being exploited since June this year. The Collector of Madura has been kind enough to offer 400 tons just some days back. They are trees to be cut. The co-operative stores adhere strictly to the control price. A festival crowd collect before the stores when a cartload is received. The whole city of Madura expects stores to cater. The City consumes 300 tons daily. The fuel activity of the stores needs to be enlarged very much. It should be given a separate status to widen itself. It should serve more. The technique of fuel trade is peculiar. The distribution requires special practice. The business administration is different.

As is the rule co-operation should step in. The middlemen should be eliminated and the situation in the Presidency eased. Co-operative Firewood Stores should be started in each and every City or town. In the recent Stores Conference held at Madras at the instance of the present Registrar, a resolution to that effect runs in my name. A Central Provincial organisation should be organised to finance these primaries, to agitate before the Government for recognising such co-operative stores as their sole sale agents and regulate inter-district movements so as to prevent dearth of firewood in any district.

Is not the time favourable? Does it not expect us? Then, shall we be dutiful.

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Co-operative Education Centres.

Not least of the important decisions of the recent Co-operative Congress was the approval given to the plan to establish a new Co-operative College. For over 20 years the existing Co-operative College has been in Holyoake House. Now the proposal is to give the College a home of its own. As the late Mr. T. Lawther, Co-operative Congress President, declared, whether the Co-operative Movement is regarded as a social force or as a business concern, a Co-operative College must be regarded as essential.

The Co-operative College, founded in 1919, was the first of a series of Co-operative Colleges which have sprung up in Europe and America, some of them improvements on the British model, but all of them inspired by it.

Colleges Abroad.

Probably one of the most outstanding of such colleges is that of the Swedish Co-operative Movement which was established in 1924. One of the first overseas students at the British College was Mr. Axel Gjores, who was later Secretary of the Swedish Union and Wholesale, and is now President of the Swedish Board of Trade. Undoubtedly his experience at the Holyoake House led him to recognise the necessity of every national movement providing an education centre where Co-operation could be studied by members of Societies, officials, employees and committee-men.

The Swedish Co-operative College is situated at Saltsjobaden, a small village overlooking the Stockholm archipelago. Whilst this College, called *Vard Gard*, which literally means "my home", is within easy access of Stockholm, it looks over a stretch of delightful water dotted with islands, and the series of villas which make up the College buildings are gracefully shaded by great pines and firs. Throughout the year students flock in batches of sixty or seventy to follow one, two, or three week courses. There is a small permanent staff, and the advanced students assist with the tuition of the students in elementary subjects. Advanced students in times are posted to positions in societies. Admittance to the College is dependent on students proving successful in the correspondence course, which they are required to follow as a preliminary. So much for what has been done in Sweden, a small country whose co-operative membership is less than 1,000,000.

Another co-operative education centre is that of the Swiss Movement, which is situated near Basel, at Freidorf. This is virtually a co-operative village which has grown around the education centre, established in 1923. Much valuable work in instructing employees and members of societies and also guildswomen has been performed at Freidorf. Dr. B. Jaeggi, the eminent Swiss Co-operative scholar, presides there.

The Austrian Co-operative Movement, through the Central Union, acquired a holiday villa, Modling Vorder Bruhl, in 1936, on the outskirts of Vienna, to train staff for co-operative establishments.

The French Movement also opened a Co-operative Technical School at Paris in 1926. This school is partly subsidised through the apprenticeship tax.

The Norwegian Wholesale Society erected a special school at Boerum in 1939, the same year as a co-operative school was built in Warsaw by Spolem.

The Danish Co-operative Wholesale established a Co-operative College, *Andelsskolen*, in 1933, with accommodation for 100 students and organised courses for employees for periods of from 6 to 10 months.

The Finnish Central Union has a permanent co-operative school, organising correspondence and general instruction in co-operative subjects.

Even Iceland has its Co-operative College. Situated at Reykjavik, this school is subsidised by the Government. Two annual courses are held with about 50 students a year attending.

All these centres are mainly concerned with Consumers' Co-operation, but there are many establishments functioning all over Europe which are giving training in Agricultural Co-operation in its various social and technical aspects.

Across the Atlantic.

On the other side of Atlantic, in New York, the Rochdale Institute, which affords instruction in a wide range of co-operative subjects for employees and members of consumers' societies in the United States was established in 1938. Its organiser is Mr. Lionel Perkins, a former British Co-operative College student.

Some countries, instead of organising a separate co-operative college under the direction of the movement have allowed such work to be undertaken by the existing higher education bodies. Thus in Antigonish, Nova Scotia, the university extension department opened by what virtually amounts to a co-operative faculty. This experiment has proved highly successful and has created a profound impression in the neighbouring U. S. A., from which tours have been organised to inspect the work being undertaken. Co-operation in all its form has been encouraged by the University and the theories of the classroom and lecture hall have been applied with remarkable developments as a result.

In Belgium a Chair of Co-operation was established at Brussels University. There was one in pre-Fascist Rome and in the Universities of Canada, India and China, Co-operation has been a subject given increasing importance in the curriculum.

Apart from Universities, however, in a great many other countries schools and colleges dealing with social studies and training, Co-operation is given due importance. This is true of Denmark, where the Folk Schools

are training people to understand the Co-operative Movement, even though there exists simultaneously a Co-operative College.

Functions of College.

The function of a co-operative college is of course to train people in the study of Co-operation, a large and complicated subject. It is not simply a case of teaching people the organisation of the Movement, but the social purpose and nature of Co-operation. There is much evidence that in Britain today Co-operation is largely misunderstood. At a time when social outlook is undergoing change, it is vital to the Movement that Co-operation should be thoroughly mastered. Many facilities are provided for teaching social studies of all kinds, but co-operators themselves must provide the facilities for training in co-operative studies. That above all else is the job of any Co-operative College.

A Co-operative College can perform many other functions also, and one of them is the training of staff, a matter which is of increasing importance to-day. Already the Co-operative Movement in Britain has helped to raise the status of employees from unskilled labour through affording proper training facilities. Many of the larger societies undertake training extensively, and the whole trend to-day is for such training to be the practice among all distributive agencies.

Technical Education.

In the throes of the world crisis in 1940, Mr. Bevin declared that one of the matters requiring attention was commercial and industrial education. Already there are signs of this matter having attention through the general plans for educational reform and through schemes which are gradually emerging for specific trades and industries. Moves are already being made for such vocational training to be linked with the Co-operative College's staff training programme.

Up to a point technical training is, however, common to all sections of a trade whether co-operative or not. Shop assistants in multiple and private concerns are, for example, all affected by the same laws; the physical properties of the goods they sell are to a greater extent the same. Such general training may be provided more and more by the public authorities. Where this is done it seems fruitless for the Co-operative Movement to spend money on identical training. Rather should the job of the Movement be to concentrate its attention on matters of organisation and general principles exclusively affecting co-operative workers as such. And there is a great deal to be done in this direction.

Voluntary Officials.

In addition to the task of training officials of the Movement, the Co-operative College must also serve members of management and education committees. With the development of societies from grocery stores to large commercial undertakings, laymen are at a serious disadvantage without some training. This has been one of the more neglected fields for co-operative education and it is certainly not the least important. *The committees of management shoulder the responsibility under the co-operative democratic constitution, and unless they are fully trained there is little prospect of the Movement playing its full part in the new social order.* Management committees exercise important duties concerning the affairs of the

national bodies to which their societies are affiliated as well as to their own local societies.

Not least important is the training of persons to hold positions on societies' education committees. Upon them devolves the responsibility of keeping co-operative ideals before the members of the society and prominent throughout the area in which the society operates. If they are to instruct people in co-operative social theory, traditions, and the broader aims of Co-operation, they need to be so trained themselves.

However good a Co-operative College is established, there remains the need for local co-operative educational effort. The College is the hub of the co-operative education system, but such a centre can never dispense with the need for a local activity cultivating in every possible way co-operative ideas and enabling members to comprehend the meaning and importance of Co-operation.

D. F. in the Co-operative Review, August 1943.

The Madras Provincial Co-operative Union Examination, 1944.

(Corrected and Revised.)

An examination for the students of the Tanjore, Coimbatore, Anantapur and Rajahmundry Institutes will be held at the respective Institutes' headquarters from 29th to 31st March 1944 as per programme given below :

Wednesday...	29-3-1944	10 a.m. to 1 p.m.	Co-operation, Historical and General.
		2 p.m. to 5 p.m.	Co-operation, Law and Principles.
Thursday ...	30-3-1944	10 a.m. to 1 p.m.	Auditing.
		2 p.m. to 5 p.m.	Banking.
Friday ...	31-3-1944	10 a.m. to 1 p.m.	Book-Keeping.
		2 p.m. to 5 p.m.	Rural Economics, Sanitation, and Village Panchayat.

Candidates who failed to pass in the previous Provincial Co-operative Union Examination held in 1942 and 1943 are hereby informed that they can also sit for the above examination.

Candidates who underwent training in the Institutes prior to 1941 are exempted and need not pass Part III of the examinations under the new regulations—if they appear and pass in Parts I and II of the old regulation in the examination to be held in March 1944 only.

The examination comprises of III parts :—

- | | | |
|--|-----|-------------|
| 1. Co-operation—Historical and General | ... | } Part I. |
| 2. Co-operation—Law and Principles | ... | |
| 3. Auditing | ... | } Part II. |
| 4. Banking | ... | |
| 5. Book-keeping | ... | } Part III. |
| 6. Rural Economics, Sanitation, and Village Panchayats | ... | |

Candidates who have failed in any one of the subjects of any part have to sit for the subjects comprising that Part or Parts.

The examination fee is Rs. 10 for full examination and Rs. 4 for each Part.

The last date for receiving examination fees is 10-3-1944.

For further particulars, please apply to the Secretary, The Madras Provincial Co-operative Union, Esplanade, G. T. Madras.

N. B.—This cancels the one published in our January 1944 issue.

A Judgment.

10th January, 1944.

HORWILL, J.

Rukmani Ammal vs. Official Liquidator of the Seshadripuram Co-operative Society.

S. A. No. 139 of 1943.

Madras Co-operative Societies Act (VI of 1932), Sec. 43—Suit against liquidator of Society—Sanction of Registrar essential.

The appellant, a member of a Co-operative Society, was called upon in the liquidation to pay the sums due to the Society, by certain relatives of her husband, who were also members of the Society whose debts her husband had promised to pay. She paid Rs. 1,000 to the liquidator out of the Rs. 5,000 demanded, but failed to pay the remainder. The appellant filed a suit against the society in liquidation for a declaration that the order of the liquidator calling upon her to pay the amount as contribution was *ultra vires*, void and illegal.

Held:—Whether or not a creditor can sue a person who is not a debtor and who merely undertakes to pay the debts of a debtor and whether or not the Society acted without jurisdiction in demanding the amount from the appellant; the sanction of the Registrar was a condition precedent to the filing of the suit, whether the liquidator acted with jurisdiction or not. *Govinda Chettiar vs. Uttukottai Co-operative Society*, I. L. R. 1940, Mad. 929 which was contended to be wrong held to be binding and followed.

The Advocate General (Sir Alladi Krishnaswami Iyer), K. R. Rangaswami Iyengar, V. Rajaram and C. R. Pattabhiraman for Appellant.

P. Govinda Menon for Respondent.

(M.L.J.)

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Farm Co-operatives in America.

More than 15,000 farmer-owned and farmer-controlled Co-operative associations and companies are now operating in the United States. Of this number, 10,752 Co-operatives are engaged in marketing farm products or performing relative services for the farmer.

Nineteen hundred of the associations are mutual fire insurance companies and approximately 2,500 are irrigation companies.

On the basis of reported membership and patronage, it is estimated that more than 30,00,000 of Americans hold membership in these co-operative organisations and at least 5,00,000 more patronise them without membership.

Sales of farm products and farm supplies by co-operative groups now exceed the equivalent of Rs. 650 crores annually. According to the co-operative division of the U. S. Farm Credit Administration, there are 34 associations reporting annual sales in excess of the equivalent of Rs. 3,25,00,000 each and 295 associations that report more than the equivalent of Rs. 32,50,000 each in sales.

Agricultural Co-operation in the United States is a method of doing business within the farming industry itself. A farm co-operative is a business organisation—just as much so as any of the more familiar enterprises. The fundamental characteristic of the farm co-operative is that it is operated for the mutual benefit of its members as producers—not as stock—holders.

Advantages to a member of a co-operative accrue primarily because of his patronage with the association and not because of any financial investment. The primary purpose is to return to the producer as much as possible for the product he sells; to provide him with the kind and quality of farm supplies that he desires, at the lowest possible cost; and to provide farm business services which will render his operations more profitable.

Marketing Associations.

Marketing Associations are found in every one of America's States. Through the locally owned organisations, farmers are marketing a wide variety of products ranging from cattle to spinach, and purchasing feed, seed, fertilizer, spray materials, farm machinery and other supplies.

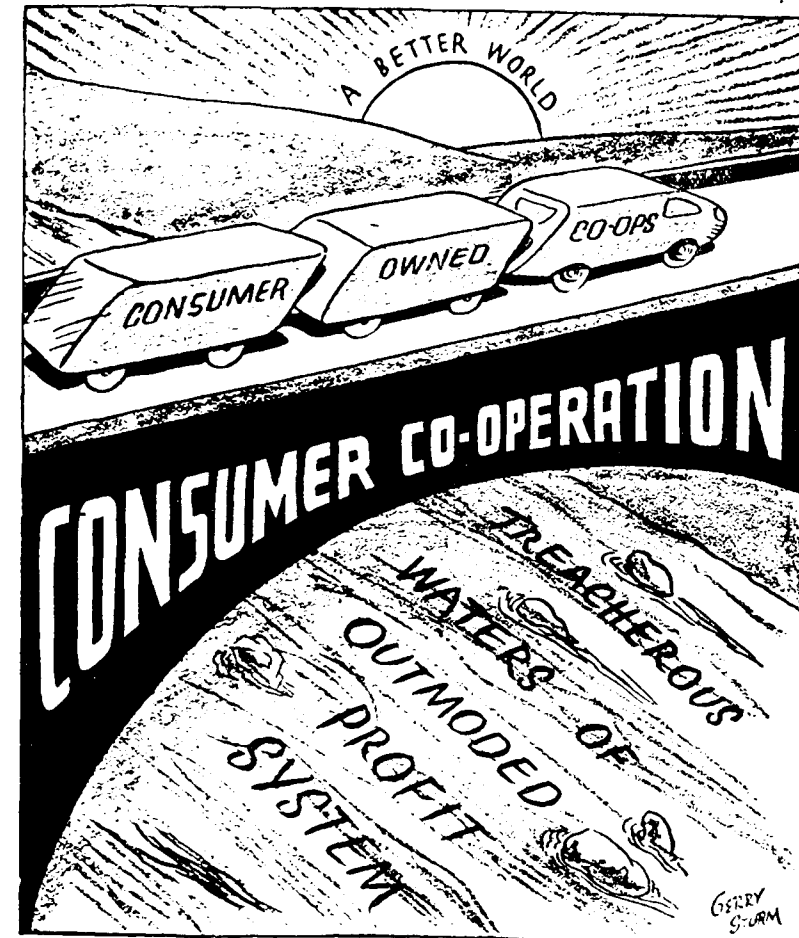
For more than 50 years, American farmers have been building their own marketing machinery for the handling of both products and supplies. A few of the co-operatives now active date back to the 1870's. Over 2,000 have been operating continuously for more than 25 years. The latter group is composed mainly of creameries, cheese factories and associations handling grains. Many co-operative cotton gins and groups handling petroleum products are relatively new.

During recent years the number of purchasing co-operatives has increased more rapidly than marketing co-operatives. With the increased use of power-driven machinery on the farms, co-operative handling petroleum products have shown remarkable growth. Co-operative cotton gins, too, have increased rapidly and now are ginning a substantial proportion of the cotton crop.

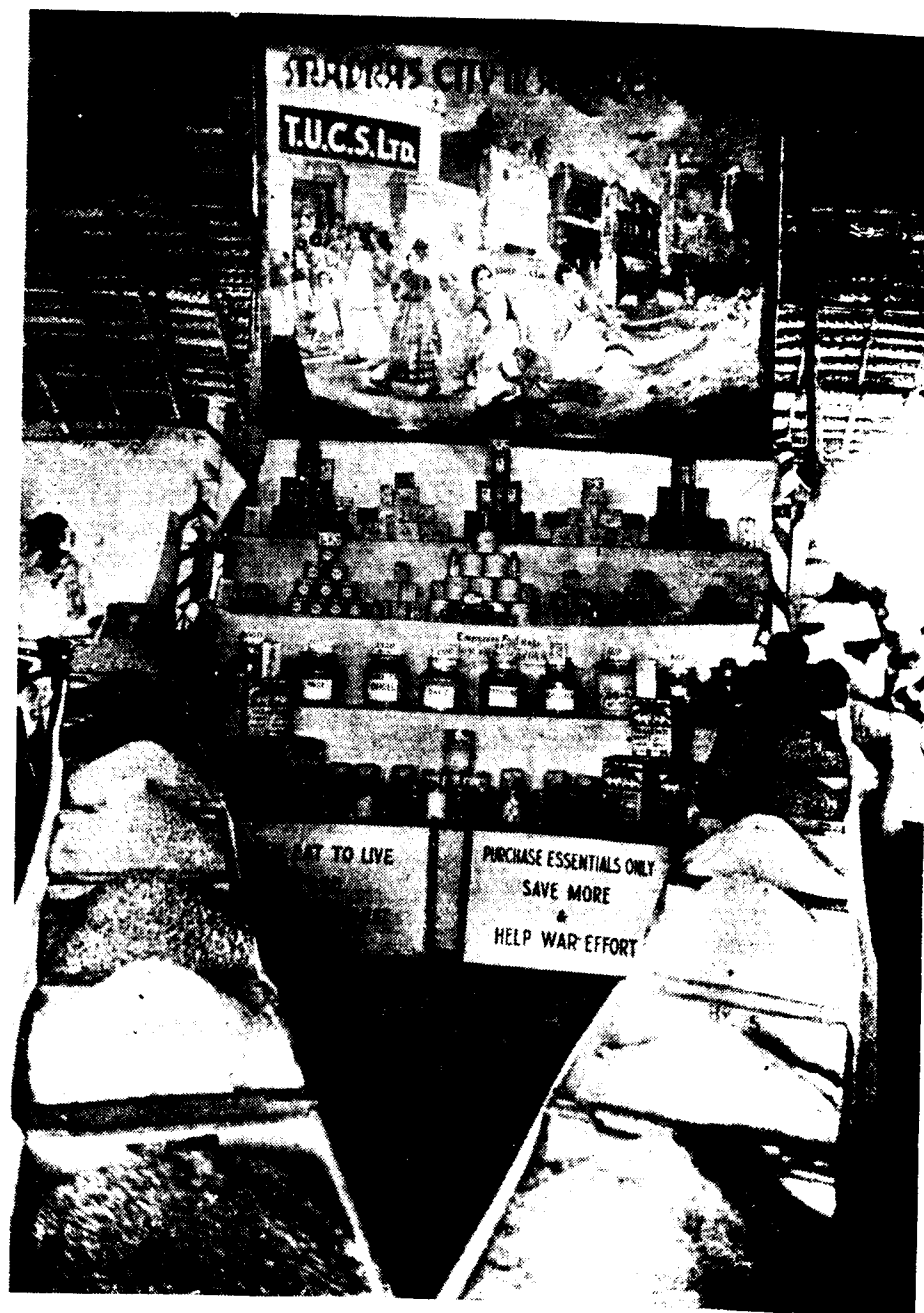
While the principal functions performed by farmers' co-operatives consist of marketing products and purchasing farm supplies, these associations also provide a wide variety of other services, from manufacturing to farm management. These include grading, packing, processing, ware-housing, ginning, trucking, financing, advertising, testing, orchard management, pest control, protection against frost, and providing space in cities and towns where farmers may do their own selling.—

Usovi.

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A STALL OF THE T. U. C. S., MADRAS.

Stores and Food Problem.

(Contributed.)

The Kurnool Wholesale Co-operative Stores, Kurnool, 1942-43.

The Kurnool Wholesale Co-operative Stores, Limited No. P. 518, was registered on 22-1-1943 and started on work on 21-2-1943.

Membership and Share Capital.

There were 214 members made up of 20 primary co-operative stores, 22 other co-operative institutions and 172 individuals with a paid-up share capital of Rs. 38,100.

Finances.

The Stores has a cash credit accommodation of Rs. 1,00,000 with the District Co-operative Central Bank, Kurnool.

The transactions under this head are given below :—

Drawn. Rs.	Repaid. Rs.	Balance. Rs.
3,29,249	2,52,030	77,219

There were no other borrowings.

The working capital of the stores was Rs. 1,15,319.

Business.

(a) Purchases :—

The Stores deals in essential commodities chiefly grains *vis.*, rice, millets, wheat and wheat products, sugar and dhall.

Rice is imported from Bezwada through the Grain Purchase Officer, sugar from India Sugars and Refineries Hospet; ragi, wheat, wheat products from approved dealers selected by the Revenue authorities; and millets from the surplus taluks, within District besides quantities supplied by the Collector under the "Basic Scheme." The primaries or sales societies in centres of production could not be utilised to assist in purchases as all the purchases had to be made under instructions from the Revenue authorities who made available the stocks.

The purchases made during the period are classified as under :—

	Rs.
(i) From local merchants	4,315
(ii) From centres of production in the District...	1,30,057
(iii) From agencies of production centres outside the District	1,96,988
Total Rs ..	3,31,360

(b) Sales :—

The sales are chiefly to the affiliated primary stores. The Stores, however, is also retailing food grains to the public of Kurnool Town through its 10 ten sales depots opened in different important centres of the town. Sales to individuals, Boarding Homes, Fair Price shops, and

a few non-members were also effected under special permits issued by the District Collector.

The Transactions under Sales are classified and noted hereunder:—

	Rs.
(i) To Primary Stores	1,49,686
(ii) Through sales Depots in Kurnool Town...	1,19,946
(iii) To others	16,112
Total Rs...	2,85,744

It may be seen from the above that the sales to primaries works at 52 per cent of the total sales. The primaries have so far been loyal in respect of purchases in respect of commodities handled by this Stores. Just at a time when this Stores was due to commence business, there was a slight disturbance of peace in the Town due to looting of a few retail shops by hooligans and a few days following this incident, the entire retail market remained closed and the District Collector with a view to make arrangements for the distribution of food grains to the public during that crisis persuaded this Stores to take up immediate retail distribution of grains by opening sales depots with the active help of the Revenue and Police authorities. The local primary stores could not at that time undertake this work and therefore the Wholesales Stores had to step in to meet the situation. These depots are continuing to retail foodgrains to the public.

As the Wholesale Stores is chiefly attending to the import and distribution of rice and other food grains to the primaries. The need for opening any branches at other centres in the District was not felt and the goods are booked by rail direct to the nearest railway station of the primaries from purchase centres.

In the matter of allotment of quotas to the Wholesales Stores in respect of rice, sugar, wheat, and wheat products, the District Collector has been pleased to give a fair treatment and the stores is being generally consulted in the matter of distribution of stocks at his disposal.

As already mentioned above, ever since the looting the Wholesale Stores with its depots has been the only institution selling millets to the public of Kurnool Town and the chief institution for selling rice. The needs of the entire millet-eating and mixed diet population were served by this Stores.

The Central Co-operative Stores, Ltd., No. M. 425, Vizianagram for 1942-43.

The Central Co-operative Stores, Ltd., Vizianagram was registered on 29-11-1942 and started work on the same day.

Membership and Share Capital :—During the year 28 Stores, 153 Co-operative Societies, 112 individuals and 1 institution were admitted

with a paid up share capital of Rs. 1,700, Rs. 12,300, Rs. 13,900 and Rs. 50 respectively. The total paid-up share capital of the Stores on 30-6-1943 was Rs. 27,950.

Borrowings :—The total borrowings under deposits and loans from the financing bank at the end of the year amounted to Rs. 89,797. The financing Bank granted a clean cash credit of Rs. 50,000.

Purchases :—The Central Stores made purchases of several commodities both locally and outside the district. The total purchases made during the year were Rs. 2,86,406. Out of this a sum of Rs. 1,18,557 was spent for purchases made locally from time to time and the balance of Rs. 1,67,849 was utilised for the purchases made outside the District. As the Stores was started during the year under report, it could not make bulk purchases at production centres or utilise the agency of other Co-operative institutions for making purchases. All possible steps will be taken to see that purchases in future are made at production centres so that the articles needed by the Primary Stores may be supplied at cheaper rates than the local market rates.

Sales :—The total sales amounted to Rs. 1,91,453. Out of this, the sales to primary stores amounted to Rs. 1,00,178, while to others they amounted to Rs. 91,275. The percentage of sales to primary stores to the total sales works out to 52.32 per cent. The primary Stores could not make the best use of the Central Stores owing to the restrictions imposed on the movement of food grains from one taluk to another and also on account of the control exercised in the case of essential commodities like rice, wheat, sugar, pulses etc.

During the year one depot was opened at Amadalavalasa. Paddy and greengram were purchased and stocked at the depot. It is under the contemplation of the Board to open some more depots in suitable centres.

The Trichinopoly Central Co-operative Stores, Ltd., R. 683—1942-43.

This is the first year of the working of this stores having been registered on 23-11-'42 and started on work on 10-12-'42.

There were 221 members with a paid-up share capital of Rs. 25,800 at the end of the year.

The stores obtained a cash credit accommodation of Rs. 53,000 and a short term loan of Rs. 60,000 from the Trichinopoly District Co-operative Central Bank, Ltd., Rs. 33,074 in the cash credit and Rs. 35,000 in the loan were outstanding to the Central Bank at the end of the year. The balance of Rs. 25,000 in the short term loan was not drawn before the close of the year.

Purchases.

The total value of the purchases made in the year amounted to Rs. 2,89,910. Besides the controlled commodities of which the stores received regular quotas, it dealt in other essential food grains and provisions. Purchases were made locally as well as from other places both within and outside the district and in making these purchases the services of other Co-operative agencies were utilised as far as possible. Gingelly seeds purchased through the Karur Co-operative Loan and Sale Society, Redgram Dhal purchased through the Bengal Dhal Marketing Co-operative Society, Tamarind purchased through the Salem Co-operative Wholesale Stores made in this way and their value amounted to Rs. 20,139. Soaps manufactured by M/s Lever Brothers (India) Ltd. and Matches of the Western India Match Co. were purchased through the agency of Madras Co-operative Marketing Society, constitute some of the bulk purchases.

Sales.

Of the total sales which amounted to Rs. 1,85,054 in the year, sales to primary Co-operative Stores amounted to Rs. 1,43,230. Other Co-operative Institutions which supply their members' requirements on the joint purchase system, and non-members to whom chiefly controlled commodities are supplied on the order of the Collector, account for the remaining sales. It is found that controlled articles formed more than 30 per cent of the purchases made by the primaries from the Central Stores. It is true that some of the other articles which are stocked by the Central Stores are available to the primaries in their own localities which are centres of production for such articles but in general, it has been found that they were usually making purchases of their other requirements in the same market as the Central Stores. The object for which the Central Stores was brought into existence is defeated by this lack of coordinated purchases on the one hand, while on the other, the advantage of cheap buying is lost by this small scale individual purchases, made by the primaries. This was the subject of much discussion at both the conferences of stores' representatives held on 3-6-43, and 22-6-43. If the primaries send fortnightly indent of all their requirements and purchase them only through the Central Stores as accepted at these conferences, it would be possible for the Central Stores to make bulk purchases, at favourable markets and much improvement will result in the working of the Central Stores as well as of the primaries.

Profit and Loss.

The Stores may be said to have made a good beginning, by working with a net profit of Rs. 2,604-15-0 for the period under report.

The gross profit earned is Rs. 5,546 which works out to 3 per cent on the total sales. The establishment charges work out to 1'6 per cent on the sales.

General.

It is gratifying to state that within the short period of its working the Stores has begun to occupy a position of importance in the market. This is no doubt largely due to the recognition given to it by the Collector as an importing agency for wheat, wheat products, gram, gramdhal etc. and as the distributive agency for the paddy and rice requisitioned by him in this district. Special mention may be made of the help given to this stores by the Collector by the supply of about 5,300 kalams of paddy requisitioned by him in the Lalgudi Taluk. The entire paddy was converted into rice by the stores and with the approval of the Collector the rice was distributed to the public of Trichinopoly Town through the Trichinopoly Urban Co-operative stores at the cheap rate of 3 measures per rupee while the local rate was $2\frac{1}{2}$ M.M. per rupee. Supplies of this rice were also sent to the stores in the Karur and the Udayarpalayam taluks which are dry parts of this district and where there was much distress on account of the scarcity of food grains.

**The Anantapur District Wholesale Co-operative Stores, Ltd.,
Anantapur for the year 1942-43.**

The Stores was registered on 4-12-42 and inaugurated on 10-12-42.

Share Capital and Membership:—The institution commenced on humble lines with a membership of 63 and paid-up share capital of Rs. 3,725 (149 shares) which had risen to Rs. 10,675. on 30-6-43.

Borrowings:—As our owned capital was only Rs. 10,675, we had to approach the Anantapur District Co-operative Central Bank for financial accommodation. We started with an overdraft of Rs. 32,000 and in due course, we had to get it raised to Rs. 78,000. As on 30th June 43 the drawn portion amounted to Rs. 55,959-4-0.

The Central Bank also gave us a short term loan of Rs. 3,23,000, on the pledge of stock, held in the custody of the Bank. We have, however, been able to repay promptly as and when funds permitted, so that, we owed the Central Bank only Rs. 2,94,656 on 30-6-43.

Purchases:—The bulk of our purchases in the beginning were local paddy, rice, chillies and salt. The other commodities taken up, in due course were, jaggery, wheat and wheat products, sugar, dhalls and matches.

The Anantapur District being classified as a deficit district, the bulk of the purchases of the Stores, had to be made from outside. We were permitted to import from Bezwada 100 tons of rice in the beginning and in due course, as the institution developed and began to show itself as a fair price wholesale, the Collector was pleased to enhance the quota to 400 tons. We are allotted liberal quotas of other controlled article, enabling us to satisfy the needs of the Primaries and others. Our principal agents

THE MADRAS JOURNAL OF CO-OPERATION

to supply us rice, through the Grain Purchase Officers have been the Kistna Agricultural Improvements Co-operative Society, Ltd., Gudivada, and from July the Godavari Central Co-operative Stores, Ltd., Rajahmundry. All our purchases at Madras, have been through the agency of the Madras Provincial Co-operative Marketing Society. The Hindupur Co-operative Marketing Society catered to our local needs.

Sales:—The sales from January to June 1943 amounted to Rs. 1.05 lakhs. Out of this, sales to primaries amount to Rs. 61,293 which works out at 58.31 per cent of the total sales. There was a stock of Rs. 78,882 on 30-6-43. The Primaries were fairly loyal to the Wholesale. They made all their purchases, from the Wholesale, except in cases of non-controlled articles procurable locally.

Godowns:—To facilitate easier and cheaper distribution to Primaries, we opened godowns at four centres viz., Dharmavaram, Kadir, Hindupur and Guntakal. As all the stocks of the stores, were under the pledge of the Anantapur Central Bank, the godowns were placed in charge of the local supervisors, who were the custodians of one of the keys of double locks on behalf of the District Bank. The retail distribution was left entirely in the hands of the primaries, both at the district headquarters and outside. There was thus no need for the Wholesale to undertake the retail distribution.

We are glad to mention that the Stores, meeting all the initial expenses, has been able to earn a net profit of Rs. 55. It is proposed to carry the entire amount to the Reserve Fund.

Guntur Co-operative Wholesale Stores.

During the month it was allotted the entire quantity of wheat received in the district viz. 2192 bags of Australian wheat and 3000 bags of North Indian wheat. Out of this huge consignment, 1000 bags of wheat released for sale just at the time of Ramzan festival to the great satisfaction of the Muhammadan community in the Guntur town. Another noteworthy feature is that no condition has been imposed on the sale of wheat except that it should be sold at the price fixed. There is no restriction in the quantity to be supplied to an individual at a time. This liberal policy had to be adopted as otherwise it will not be possible to find a quick sale for the huge stocks before they get deteriorated in quality. Within a few days the clamour for wheat has subsided.

It opened a depot in the Officers' Colony on 18-9-43, to supply the requirements of the officers. By special arrangement, it is getting daily by rail from a neighbouring stores, fresh eggs and pure ghee. This depot is becoming popular commanding an increase in the daily sales.

With a view to bring down the price of firewood which is increasing from day to day the wholesale has decided to undertake the sale of

STORES AND FOOD PROBLEM

jungle wood. The Collector is arranging to deliver to the wholesale jungle firewood at the rates noted below.

Split wood per ton Rs. 21.

Unsplit wood per ton Rs. 19.

In the local market this variety is selling from Rs. 28 to 30. The Municipality has not yet granted the sites applied for. The public are anxiously awaiting the opening of the depots by the Wholesale.

The members of the Karamabedu Co-operative Stores wanted about 2000 bags of groundnut cake and they could not get it in the market. I met the District Agricultural Officer and represented the matter to him. He was pleased to give a permit and directed his Demonstrator at Narasaraopet to arrange for the supply of manures. The representative of the stores located the place where the groundnut cake was hoarded and requisitioned the help of the local Tahsildar for the delivery of the stocks by the merchants concerned. He did not allow the merchants to remove the stock on threat of prosecution. By his persuasion he managed to secure for his stores 500 bags of groundnut cake at controlled rates.

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Conferences.

The 13th Andhra Provincial Co-operative Conference, Rajampet.
27th and 28th December 1943.

EXTRACTS FROM THE WELCOME ADDRESS

By SRI P. V. PATTABHI RAMA REDDY,
Chairman of the Reception Committee.

War

The world is in travail. The war-fever has reached its zenith in every country. Nationalism is rampant in its worst form in each country. There are every where signs of disintegration or "Balkanisation" as it is called in political parlance. The effects of the war are being felt even in countries not yet directly in the fighting line. India is an example. India, the granary of the East is passing through the worst man-made famine that has ever visited this country in the past. We hear daily of innumerable deaths due to starvation in Bengal. Not less intense but unfortunately less vocal and less advertised is the famine stalking the villages of the Rayalaseema. Experts prognosticate much worse days of famine during the next two or three years. But, I still have faith that Co-operation is the only panacea to arrest the spreading of the famine belts, for increasing the production of food stuffs and effecting a proper distribution of them. May we all pray for the speedy termination of this bloodiest of wars and restoration of peace and amity in every country in this war-weary world.

The present food problem

The prevailing problem everywhere in the country is to find food for the hungry millions and every one is looking to co-operative societies to solve it. We have, no doubt, started stores on co-operative basis. But have they solved the problem? Have they atleast touched the fringe of it? (I do not know the condition in the Circars. Perhaps, some brother Co-operator from those parts will enlighten us on this point). I claim some knowledge of it in the Rayalaseema and in particular in my own district and I say that the co-operative movement has not had any success in either increasing the production of food stuffs or their equitable distribution. Now a days we hear a good deal about "Rationing and controlled prices", and distribution through co-operative stores societies. Rationing is to be applied only to towns and urban areas. The large number of G. Os regarding controlled commodities and controlled prices leaves one bewildered as to their exact import and purpose. A visit to any co-operative stores which is almost empty except for the sign board and the notice board displaying that no essential articles are available makes one momentarily lose one's faith in co-operation. But I am a confirmed optimist. I am not sure if the co-operative stores in its present form is suitable for villages. But I am quite certain that a co-operative society (call it by the name of stores, credit

CONFERENCES

society or by whatever nomenclature you please) is the only agency that can solve the food problem in these days. It is up to you to devise a suitable constitution for it.

In passing I may be permitted to mention that a resolution was passed at the last Conference in Tirupathi appointing a committee to enquire into the economic condition of villages in Rayalaseema. I do not know if the resolution has been given effect to. I feel that an enquiry of that kind will help to bring to the forefront the food problem confronting the villages and help to solve it.

We have seen a very striking increase in the number of stores societies in all parts of this province. Statistics on paper also show that they have to their credit some lakhs worth of transactions. That may be good as far as it goes for statistical purposes. In my own district there are 35 primary stores societies. But the remaining villages in the district and their inhabitants are not served by co-operative stores and consequently left unserved by any one and remain uncared for. The present criterion that a stores society should be automatically registered for a village which is able to raise some 2,000 or 3,000 rupees of share capital is not the proper form of solving the problem. A plan has got to be evolved by which all the villages in the district are covered by co-operative stores societies.

Then there is the problem of the stores societies being supplied with all the food stuffs and necessities of life needed by their clientele. As I already stated, stores societies are existing in name not being able to purchase the articles required by them.

Except in the West Godavary district, there is one central co-operative stores in each district. The central co-operative stores which are to be a federation of the primary stores in each district and which have come into existence to cater to the needs of the primaries have not fulfilled that object. Most of the primary stores are not able to get any article from the wholesale stores. The importing and distribution of food stuffs are controlled by the Revenue authorities, though nominally the wholesale stores are supposed to be discharging these functions. The Revenue authorities in their turn think that they have solved the problem if some supplies are made and the rationing scheme is introduced in one or two towns. Thus again we come to the same problem viz., the utter neglect of the villages. Frankly speaking, the Revenue authorities alone are not the proper medium for solving this colossal problem. Barring the non-official leaders, I would any day entrust this problem to officials of the co-operative department who by their training, temperament, experience and ability to study and understand the problems of villages with sympathy are the best fitted to undertake the task.

This leads me to the subject of financing of these wholesale stores. Normally the Central Bank in each district is expected to finance the wholesale stores in that district. The demands of these wholesales are increasing by leaps and bounds and the Central Banks with their limited

resources may come to a stage when they may not be able to finance these institutions. The arbitrary fixing of the credit limits of these wholesale stores societies without any reference to their paid-up share capital with no corresponding relaxation of the credit limit in the case of the Central Banks has thrown additional strain on the Central Banks, in that they are indirectly asked to raise share capital from other sources to acquire the necessary credit limit to finance these wholesale stores. I am not able to see the logic involved in this arrangement. It appears to me an unco-operative principle too and even a proprietary arrangement. Why not the wholesale stores be required to raise at least that much of share capital required by the Central Banks to raise the necessary finances required by the wholesale stores and invest it with the Central Banks? With the dwindling transactions in the credit societies and the very low margin of profits on transactions with the whole stores, many Central Banks are not able to declare any attractive dividends on share capital invested with them. It goes without saying that in such circumstances it is extremely difficult to raise share capital from other sources to help financing the wholesales. I think that the wholesales with all the concessions given to them and the huge profits they are making ought to be able to attract the necessary share capital.

Allied to this is the subject of financing these wholesales if the Central Banks have not the necessary credit limit to raise finance for financing them. In the case of the Central Bank in this district, this position has already been reached on account of the Registrar having relaxed the credit limit of the wholesale—which is about one and a half lakhs on the basis of its paid-up share capital—to Rs. 2 lakhs in the first instance, to Rs. 5 lakhs and Rs. 8 lakhs subsequently and to Rs. 12 lakhs recently. As I have already pointed out, no such relaxation was made in the case of the credit limit of the Central Bank. What is worse is the wholesale stores is also exempted from investing with the Central Bank share capital as required by the by-laws of the Central Bank. The Central Bank not being able to raise the necessary share capital from other sources for reasons stated above and consequently not having the necessary credit limit to raise funds for financing the large requirements of the wholesale stores has been declared unable to finance the wholesale stores and the Registrar wanted the Madras Provincial Co-operative Bank to finance the wholesale stores direct. I leave it to the Conference to express its opinion on the propriety of the Madras Provincial Co-operative Bank financing societies in the districts direct and that too lending at a competitive rate and on sending its own Inspectors to safeguard its finances. It is learnt that the Imperial Bank of India is prepared to finance the wholesale stores at a still lower rate of interest. Under these circumstances it is not at all difficult for the wholesale stores to secure the required finance. In that case it is proper for the Registrar to relax the maximum credit limit to the primaries also in these critical

times. If this is done, it may not be possible to the Central Bank to finance the primaries also.

I leave it to the Conference to consider deeply as to how far this empirical method will help the Movement. Instead of adopting this improper method it will be in the best interests of one and all to relax the maximum credit limit of the Central Banks also for financing the wholesales and to make necessary safeguards to see that the money lent to Central Banks for this purpose by the Madras Provincial Co-operative Bank are properly used for financing the wholesales. I request the Conference to deeply consider over this important matter and record a suitable resolution.

Trained staff

What with the attractive jobs offered by various war departments and the large number of trained men required by the wholesale and primary stores, the older institutions are being depleted of their trained employees. It is up to the Government to immediately open short courses in each district and give intensive training in co-operative accounting to the would-be employees and also relax the rule that only co-operative trained men should be employed in Central Banks.

I cannot leave this subject of staff without saying a word about their present lot. Their already-low salaries are found to be too meagre with the normal increase in the cost of living. At the same time the Central Banks with their very low margin of profits are not able to balance their budgets if any additional emoluments are given to their employees. I am, therefore, of opinion that the Madras Provincial Co-operative Bank or the Government should subsidise the Central Banks for the purpose of giving dearness allowances to their employees.

Co-operation in Rayalaseema

I wanted to avoid any topic which may even remotely smack of separation. Normal constitutions of Central Banks in the Ceded Districts have been suspended and the Central Banks at Kurnool, Cuddapah, Anantapur, and Hospet are now working under what are called special committees. These are small committees consisting of persons elected by the General Body out of panels nominated by the Registrar. I have been one such member of the special Committee for the last 2½ years and claim some inside knowledge of the movement in these parts. I frankly admit that the movement have not progressed to any notable extent in these districts. People have not realised to any appreciable extent the benefits of co-operation. The problem of heavy overdues and bad debts seems to be well high insoluble. I feel that the kind of the co-operative society that is found helpful elsewhere is not suited to the Ceded Districts. Even if it is to continue to be adopted here also, special treatment and special attention is necessary. The old orthodox methods of financing, supervision, and balancing of budgets which might

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have been successful elsewhere are, I am afraid, not suited to these unfortunate districts. I have no hesitation in saying that it is not so much the constitution of the Boards of Central Banks that has been responsible for the unsatisfactory state of affairs of societies in these districts. The very conception of these societies on quite orthodox lines like granting large amounts for short-term purposes for financing crops which may come in only once in 4 or 5 years and dubbing the managements of Central Banks as inefficient because they could not make yearly recoveries in these cases seems to be fundamentally wrong.

Rate of interest charged by Co-operative Societies.

Even though it is the cardinal principle of the co-operative societies to lend money to ryots at a low rate of interest, the present rate of interest charged by the societies is abnormally high. In these days when it is thought that even the 3 per cent rate on deposits in Banks is high, the co-operative societies are not lending at a rate less than 7 or $7\frac{1}{2}$ per cent. It is, therefore, but just that the rate of interest charged by co-operative societies should not exceed $6\frac{1}{4}$ per cent. It is my firm conviction that these high rates are a stumbling block to the spread of the Movement.

Help of the Government to co-operative institutions.

The Government have appointed a number of co-operative officials and instituted a separate department for the co-operative movement. It shows that they have recognised the importance of the co-operative movement as a nation-building Movement. Beyond that the Government have not been pleased to show any concessions to the co-operative institutions in order to see that private agencies do not compete with co-operative institutions to the detriment of the latter. For instance, even though the Kodur Fruit Growers' Co-operative Society is the first and the only unique institution of its kind that has been organised on new and model lines in the whole province, the Government are not showing any concessions to it in the matter of transport facilities, railway freight etc., when commission agents and other private agencies are competing with it. There is no denying the fact that these co-operative institutions are playing a very important part in improving the lot of the country. Yet the Registrar, or the Government or the Railway Department are not helping them to the necessary extent. Unless this is done, the principles of co-operation cannot be appreciated and the Movement cannot be useful for the uplift of the people.

Cottage industries.

In these days, it is found not possible to spend large sums of money and establish factories in our country and thus industrialise it to the same degree as it is done in western Countries. Government are also not able to do so for various reasons. Princes and Jamindars of our land never think of such things. In every district there are raw materials that are useful for cottage

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industries. It is highly essential that these raw materials should be explored for the benefit of the districts. It is necessary that co-operative societies may be started for this purpose.

Prohibition.

The Government have decided to abolish prohibition in the Salem, North Arcot, Cuddapah and Chittoor Districts with effect from 1st January 1944 against the wish of all classes of people. After introduction of the prohibition, the social life of the poor people (former addicts) has greatly improved and their financial position also has to some extent improved. It is unfortunate for these Districts that such a beneficial measure should be abolished and that the fiend of destruction and ruin be introduced once again. After introduction of this prohibition, riots and murders have become less in these districts. Really if the poor house wives are enquired, it can be known how ruinous this abolition of prohibition to them is. The Special Development Officers appointed by the Government to inculcate the habits of thrift and promote cottage industries in the people in these districts have recorded in their reports that the people have taken to many good habits on account of prohibition and that their lives have become reformed. I request the Government on behalf of co-operators, not to re-introduce this ruinous drink habit which is against the tenets of all religions and which have been condemned by all civilised people.

PRESIDENTIAL ADDRESS

OF

M. VENKATARANGAIYA, M.A.,

Professor, Andhra University, Guntur.

The Co-operative movement is now forty years old. In recent years it has become the target of criticism by many observers. Many of them have condemned it in strong terms. It is their contention that none of the aims with which the Movement was started has so far been achieved, that there is very little prospect of the aims being achieved in spite of our strenuous attempts at reform and that it is a Movement not at all suited to thrive in a country like ours. There are, however, some who praise it to the skies and who believe that only through it that the economic salvation of the country can be secured. We have thus extreme condemnation on one side and an equally extreme laudation on the other. But there is no occasion or cause for either condemnation or praise. For, like all movements which are the outcome of human effort there is in this Movement also the inevitable disparity between aspiration and achievement. However grand our ideals might be, we always lag behind in realising them. Are we not seeing this disparity between the ideals preached by the great founders of religions—Buddha, Sri Krishna, Jesus, Mohammad etc.—and the daily life lead even today

by those who claim to have been their followers for generations? It is not right that because of this we should lose faith in these religions and become discouraged in our efforts to follow them. Every moment is bound to succeed in course of time through persistent effort. And it is with this faith that we should look at the co-operative movement also. This does not however mean that our faith should be so blind as to make us think that co-operation is the only pathway to our economic salvation. There are many means through which our country has to attain economic prosperity: and we have to make use of all of them. There are many industries and businesses which have to be organised on the basis of individual enterprise and joint stock system. There are several others which have to be owned and managed by Government in the exercise of its coercive authority. And it is only in the rest of business—businesses that the Co-operative method will be of use. It is with this sense of discrimination that we have to carry on our co-operative work without becoming subject to any kind of discouragement or despair.

Whatever be the criticism to which co-operation is subjected to, the only important point for consideration is to find out whether it is alive or not. If there is movement we have to say there is life. And Co-operation has this characteristic in an eminent degree. After having worked it for forty years we have been able to understand many secrets. We have discovered that several of the principles with which we began our work are not correct. It is but right that in consequence of such discovery we should be prepared to modify our principles and adopt new ways and means. Every movement continues to be a living force as long as we are ready to bring about changes in accordance with changes in time, place and personnel. It is only when we think that the traditional principles are the only right principles and when we hesitate to discard them when such discarding becomes necessary that life goes out of the movement and it becomes dead. If today some of the old religions and *Dharmas* and institutions are still alive it is because they have been adapted to changing times and conditions.

If we examine the co-operative movement from this stand point we have to say not only that it is full of life but also that it is making progress and putting on fresh brilliance from day to day. We never put our trust absolutely in any one principle. When we started the Movement in 1904 we thought that it would serve all our purposes if we had credit societies. But even before the lapse of 5 or 6 years we found conditions which necessitated a change of this view. We began to believe that Co-operation would prove as beneficial in the non-credit sphere as much as in the credit sphere. And in conformity with this idea we got a new Act made in 1912. We decided on starting new types of societies. When from experience we learnt that it is better to depend on deposits made by the public than on the financial help of Government, we started the provincial and district banks. In the beginning we did not understand the many points of distinction between short-term and

long-term credit. But when once we understood them we established Land Mortgage Banks to finance long-term loans and get the deposits required for the purpose. Similarly, when we found out that it is necessary to have separate institutions for inspection and supervision we started Unions and Federations for the purpose, and worked them for some time. But, later on when it was seen that Federations constituted merely a fifth wheel in the coach we discarded them and distributed their functions among the Central Banks and the Supervising Unions. In the early days we proceeded rather slowly and over-cautiously in spreading the Movement. After some time we became more hopeful and resolved on bringing its advantages to a larger number of people. We carried on vigorous propaganda and within a short period of time increased the number of societies three to four times. In 1915-16 there were 1,800 societies, and 10 years later the number went up to about 12,000, and within four years to 15,000. But when it became clear that running at such a quick pace was proving detrimental to the inner strength of the Movement we not only slowed down but also went back a little. We confessed that we made a mistake. We all resolved on rectifying it. We cancelled the registration of bad societies; we decided on reforming societies which were becoming bad; we brought back to life some of the moribund societies. And when all this work of rectification made some progress we once more quickened our pace and attempted to increase the number of societies. This attempt is still in progress. We may thus conclude that the co-operative movement has not stuck to a single path all these forty years. We have been always ready to adopt new devices in the light of our changing needs and experiences. This is the only basis on which we can judge as to whether the Movement is alive or not and whether it is growing. And today we have even given up the principle of "Unlimited Liability" which has always been regarded as the very foundation of rural societies and we are prepared to take to the principle of "Limited Liability".

II

Many matters have become clear to us because of this long experience. It is necessary to invite your attention to a few of them.

(a) We should never forget that the Movement was started to better the lot of the ordinary householders belonging to the lower middle class and of the labourers and workers. The rich, the wealthy and the big landlords have no place in this Movement. Similarly, the idlers who live by begging have no place in it. This is not a free choultry. It is only the members of the lower middle class that are unable to get cheap credit; it is they that generally become dependent on money-lenders; it is they alone that have no opportunities of holding back their produce till they are able to secure a fair price. And if we are to judge whether the co-operative movement has been beneficial or not, our criterion should be the condition of the lower middle class and the class of labourers.

You may, however, raise the question as to why we should pay attention to this ordinary matter. It appears to me that the defects which we find in the working of co-operative societies—especially of societies in the rural areas—are to be ultimately traced to the leadership of these societies having fallen into the hands of the rich and the bigger landlords. In villages there is no separate class of money-lenders. It is the ryots themselves that take to money-lending. It is a normal feature of village economic life for the richer among the ryots to give loans to the poorer ryots, collect interest at exorbitant rates and extract free labour from them. It is a mistake to think that all the ryots form a homogeneous class. There are differences of high and low among them. What is required is to free the ordinary ryots from the clutches of the money-lending ryot. But in village societies not only do we find the money-lending ryots become ordinary members, they also become the directors of societies. Their stand-point is different from that of the ordinary ryot. They do not very much relish the idea of the rural society working successfully and the ordinary ryots getting out of their clutches and control. The growth of factions in societies, of disputes in matters of election, of benami transactions and desire to use the influence obtained in and over a society for political purposes, not in any way connected with the good of the society itself—these and several other defects of a like nature are to be traced to the presence of the richer ryots in them. The society is not at all necessary for them to improve their economic condition. It is a matter for all co-operators to think seriously about. How to protect societies from the money-lending class of ryots is a very serious problem.

The problem would not have become so serious if there had been a spread of education among the masses. Where the followers are educated the leaders will not be in a position to behave in any way they like. Educated followers will be in a position to elect the right type of leaders and to criticise the work and conduct of the elected leaders. But where villagers have no education the leaders, therefore, are able to exercise despotic power over them. There is also another point which deserves to be noted in this connection. At present all older traditions and ties of social life have lost their strength. No new traditions or social bonds have taken their place. It has become normal and usual to use power for purely selfish purposes. And this is one of the reasons why it has become dangerous to have co-operative leaders belonging to a class different from that to which the followers belong. It need not be specially emphasised that for the improvement and progress of the co-operative movement the spread of education among the masses and the growth of a spirit of self-sacrifice among the leaders are absolutely necessary.

(b) There is also another lesson which we have learnt from our forty years of experience. It is not desirable that securing cheap credit should be the only aim of the Movement. An increase in the total earnings of the individual member and its proper utilisation should be the principal objects.

This is a necessary and much-needed change. Of course there is nothing new in this view. All these objects do find a place in the by-laws of societies. But, in practice they do not get the prominence which they deserve. Our ryots are not in a position to pay interest however low the rate may be; they have not got the ability to repay punctually the instalments of principal. All this is due to their income being low. This is not a matter unknown to those who are acquainted with the economic conditions of the different countries in the world. All of them know that while the average income of our ryots is Rs. 60 or Rs. 70 per year the income in America and England is eighteen and fifteen times more. The smallness of our income becomes clearer when we compare what our ryot produces on an acre of land and what ryots in other countries produce. In the matter of rice, wheat, cotton, sugar-cane—or for that matter any other crop—the yield per acre here is very much less than what it is in the United States, Egypt, Japan, Java or England. Moreover, in other countries the agricultural population does not depend only on agriculture for their earnings. Besides it, they have several other subsidiary industries. But we do not have such industries here. All of them have become ruined in consequence of western competition. As a consequence of this our ryot has no work throughout the whole year. He has to live for twelve months on the little he produces by six months of his labour. In addition to this the methods adopted by our ryots are some of them antiquated and do not help him in securing a large income. It is a matter of common knowledge that in respect of seed, implements, feeding of cattle and several similar subjects connected with agriculture, there is need for making a large number of improvements and that due partly to ignorance and partly to lack of finance our ryots are not taking to such improvements. The net result is that their income is low. It is therefore incumbent on co-operative societies not only to lend money at low rates of interest but also to see that the money so lent is utilised for increasing the income of the borrower. It is to this utilisation that the first place should be given in future. Every one should recognise that credit is only a means for this primary purpose.

It is also equally well known that to increase the income of the ryot it is necessary for him to hold up his produce until he gets a fair price for it. But until recently societies have not attached sufficient importance to this. It is a good sign of the times that some improvements are being made at present in this sphere. Crop loan societies and marketing societies have been established in some localities. Steps have to be taken to give them all facilities for the successful accomplishment of their objectives. Three years ago the Vijayaraghavachari Committee drew attention of the public to the importance of co-operative marketing.

Our ryots should also become familiar with the improved methods by which they can spend their incomes. Of these methods collective purchasing occupies the first place. For this it is necessary to have stores. This does not, however, mean that a separate stores society should be opened in

every village. The ordinary society may as well take to this business; and if it is the right thing for it to do so. Agricultural manures, seed, implements etc., as well as the articles of consumption required by the members should be purchased through the co-operative society. The advantages of this method have been realised recently to some extent and arrangements to adopt it have already been made in some places. What is needed is every society should take to such arrangements.

There is another matter which has to be kept in mind when we speak of the proper utilisation of income. One of the objects of the co-operative movement is to make the masses reduce their expenditure on unnecessary things and promote thrift and savings among them. But this object has not been achieved at all so far. Critics of the Movement point out to this defect. Deposits made by members in village societies are hardly worth mentioning. Critics even go to the length of ridiculing the Movement by saying that the early function of the societies is to distribute in the form of loans among the villagers the savings of businessmen. It is necessary that by changing the habits of villagers no opportunity should in future be given to such an attack. Many, however, may entertain a doubt as to what after all can be saved by a ryot with so little income and what therefore can be deposited by him. There is no room for such doubts. What the ryots borrow for festivals, ceremonies, marriages etc., is anyhow repaid by them sooner or later. What is required is that they should cultivate the habit of foreseeing the expenditure of this sort and save a little in advance instead of first borrowing and then saving to clear this debts. This is not a matter of great difficulty. There are many ways by which such a habit can be developed. They have been referred to by the Vijayaraghavachari Committee. Some of them have already been adopted in the Alamuru Society and several other societies. They must become general. This is one of the tasks to which leaders should dedicate themselves.

(c) There is one essential point of difference between the co-operative movement in our country and that in England and other countries of the west. Our movement owed its beginnings and its developments to Government. In western countries it is a people's movement—voluntary and spontaneous in character. The ideas and opinions of Government Officials have been responsible in our country not only to the spread of the Movement but also for some of the merits as well as the defects found in it. It is unnecessary to discuss at this stage whether it is on the whole advantageous for the Movement to be thus led by Government. There is, however, one point to be noted in this connection. Our Government has not only instituted a co-operative department but also several others for promoting the welfare of the people. The more important among them are the Agricultural, the Industrial and the Public Health Departments. But owing to the fact that there is not co-ordination among all of them and the tendency for each of them to work in isolation the people have not been deriving as

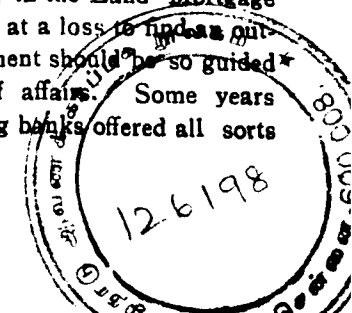
much benefit from them as it is possible. In every village or group of villages there must be an institution to serve as an agency for co-ordinating the work of all these departments. It is but appropriate that the co-operative society in the village should become such an institution. Its primary aim being the improvement of the welfare of the masses it is its duty to use the agricultural and other departments for this purpose. Already Land Mortgage Banks are using the Agricultural Department for some of their purposes. Every village society should in consultation with these departments prepare a plan for bringing about desirable changes in agricultural methods, cottage industries and public health and see that the members adapt themselves to such changes.

From all this it becomes clear that the work that co-operative societies have to undertake in future is many times larger than what they are doing today. Their outlook should become wider. There is no need to question the capacity of the co-operative societies to undertake all these different kinds of work. When our vision changes our capacity undergoes a change. And at a time when we are determined to win Swaraj and work a democratic form of Government it is ridiculous to say that we do not have the capacity to work the co-operative movement.

It has now become almost a fashion to speak of War and Post-War reconstruction whatever be the immediate subject on which the speaker proposes to dwell. But we should remember one thing in this connection. Whether there is war, or no war, the co-operative movement here has to develop on the lines suggested above. The need for these lines of development arose before the war; and the experience of war has not in any way made these lines of development unnecessary or undesirable.

All the same the conditions created by war have been responsible for a few changes that affected the co-operative movement during the last three years. Some more changes are likely to take place. Though they are of a temporary character we should see that such of the changes as are really beneficial should be made permanent so that they might become an integral part of the movement in the post war period.

In consequence of the war the prices of all commodities have gone up considerably. Some of those who were suffering from the burden of debt have been able to secure relief. The proportion of over-due loans has come down. Some ryots have even been able to save. All this is good and welcome. The need for borrowing has become less in some cases. As the professional money lenders are ready to lend at lower rates of interest several ryots are resorting to them in preference to co-operative societies. There is a good deal of idle money in the Provincial Bank, in the Land Mortgage Bank and in many of the Central Banks. They are at a loss to find an outlet for it. It is, therefore, necessary that the movement should be so guided that nothing harmful may come out of this state of affairs. Some years ago when there was a similar situation the financing banks offered all sorts



of inducements to artificially encourage borrowing. It is necessary now for Central Banks not to resort to such methods. It is best for them to lend only for objects which will bring lasting benefit to the ryot, objects like land improvement, the digging of wells etc. Whatever it be the Central Banks should not care for their individual profit only. They should pay equal attention to the good of the borrowers.

The rise in prices has brought about another change. Stores societies have been established in many places. It used to be hitherto thought that consumers' societies cannot succeed in our country. It has now become clear that such apprehensions are baseless. This is also a good feature of the times. But we have to consider whether it is only a temporary change or is destined to become permanent. Those connected with the management of the stores and their staff should see that the people come to believe that in stores they will get good articles at reasonable prices. The staff and the management should treat all purchasers alike irrespective of their being rich or poor. They should not keep them waiting for hours or behave in an ill-mannered way towards them and thus create a sort of prejudice against the stores movement as a whole. These points deserve some emphasis as some of these defects are found in many stores today. It is now usual to sell things even to non-members. But if any losses are sustained in consequence of this, Government should give compensation. The managements of stores should also strive to increase membership.

A third change due to war is the organisation of weavers' and other producers' societies on co-operative lines. Weavers' societies have multiplied at a rapid rate. Central Banks and other financing institutions are granting loans to them on a liberal scale. As the articles manufactured by them are being purchased for the use of the army by Government they are able to work at profit. But here also there is one point to be considered. Is all this activity a temporary one? or is it going to be lasting? We should all see that it is lasting. We have invested large amounts of capital in them. If at the end of the war these industries are to be closed not only would all this capital be wasted but many will become unemployed and the country will be consequently thrown into a turmoil. But to give them a permanent place it is necessary that there should be a change in the angle of vision of the Central Government. It should protect these industries from the competition of goods coming from outside. It should also protect them from the competition of our own mill-made goods. A Government which understands these needs and is determined to function in accordance with them should be established in the country after the war. It means that in every department of life a stage is reached sooner or later when no progress can be made in it unless there is a change in the system of Government and its outlook. There is an intimate connection between economics and politics.

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The war has revealed another defect. It is now clear that we are not able to produce the food needed by the forty crores of our countrymen. Everywhere we are hearing the words "Grow More Food". We are as a matter of fact increasing the supply of food grown in our own country. But to remove this defect permanently we have to bring fresh lands under cultivation. It is best that this is done on a co-operative basis. The assignment of waste lands and the colonisation of new areas should be made over to co-operative societies instead of to individuals. It was only recently while delivering the convocation address to the Andhra University that Mr. S. V. Ramamurthy, the Adviser to the Governor of Madras, referred to the possibilities of the Madras Government undertaking vast colonisation schemes in the Agency tracts of Vizagapatam and Godavari. All co-operators should see that this is undertaken on a co-operative basis.

RESOLUTIONS.

General.

1. This Conference places on record its deep sense of sorrow at the death of Sri K. Kalidas Pantulu, who rendered conspicuous services to the Co-operative Movement as the President of the Co-operative Central Bank, Vizianagaram and as the Vice President of the Madras Provincial Co-operative Central Bank, Ltd., Madras, and prays to God to grant eternal Peace to his Soul. This Conference offers its sincere condolences to the bereaved members of his family.

2. This Conference appeals, in the name of humanity, to various co-operative institutions to contribute from their Common Good Fund liberal donations for the relief of the cyclone-stricken destitutes of the Chicacole division in the Vizagapatam district.

Provincial Institutions.

3. This Conference requests the Central Land Mortgage Bank to amend its bylaws so that in elections to the Board of Management, from among individual members, two are elected from the Southern districts, two from Madras and two from Andhra districts—one from the Circars and the other from Rayalaseema.

4. This Conference requests the Government and the various Provincial Co-operative institutions to establish a convention that in electing or nominating members to the Board of Management of Provincial institutions 50 per cent representation is given to the Andhras.

Land Mortgage Banks.

5. This Conference requests the Central Land Mortgage Bank and the Government to reduce the rate of interest from 6 per cent to 5 per cent on loans given to the Primary Land Mortgage Banks.

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6. This Conference requests the Government to empower the Co-operative sub-registrars to forward loan applications for Rs. 1,000 and less direct to the Central Land Mortgage Bank.

7. Whereas the members of the Primary Land Mortgage Banks are not coming forward to take loans in the Primary Land Mortgage Banks of amounts exceeding Rs. 5,000 on account of the reduction of the period of repayment from 20 years to 16 years, this Conference requests the Government to revert to the old system of 20 years.

8. This Conference requests the Government to direct that a portion of the net profits of the Land Mortgage Banks be set apart for the Building Fund.

Stores.

9. Whereas the district officers are not allotting required quotas of controlled articles like cement, paper, wheat and sugar etc., to co-operative stores, this Conference requests the Government to issue orders directing sale of controlled articles on a wider scale, through co-operative stores.

10. This Conference requests the Government to grant exclusive permission to the Agricultural Department and the co-operative stores to sell agricultural implements, manures etc., to the agriculturists.

11. To prevent a situation like that of the Bengal food tragedy from arising in this province, and to enable speedy supply of foodstuffs in times of emergency, this Conference requests the Government to start stores and stores depots in every village in the province.

12. Whereas the Revenue Department is not properly carrying out the instructions of the Government in the matter of the allotment of food quotas to co-operative stores, this conference requests the Government to arrange the distribution of all rationed articles through the agencies of the co-operative stores under the supervision of the Co-operative officials.

Handloom Weavers' Societies.

13. This conference, while viewing with regret the non-publicity of the Report of the Fact-finding Committee, even though it was ready a year back, requests the Government to publish the Report as soon as possible, and thus help the handloom industry.

14. Whereas the ceiling prices fixed by the Textile Control Board are very high causing hardship to the handloom weavers, this Conference requests the Government to fix the ceiling prices of cotton yarn at 5 per cent over and above the basic rate of cotton.

Building Societies.

15. Resolved to request the Registrar to organise and encourage House Mortgage Banks in every important town in the Province, either on the lines

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of the Land Mortgage Banks, or Building societies with suitable modifications, and to organise a Central House Mortgage Bank on the lines of the Central Land Mortgage Bank.

Fruit Growers' Societies.

16. Whereas the Co-operative Fruit Growers' Societies are experiencing much inconvenience on account of allotment of Railway wagons to them, treating them just like the ordinary traders, this Conference requests the Government to allow priority facilities to the Co-operative Fruit Growers' Societies.

Cottage Industries Societies.

17. Resolved to request the Government to start, on Co-operative lines, cottage industries, wherever possible, in Andhra districts, and in Rayalaseema in particular, to meet the unemployment distress that may arise in future.

Land Improvement Societies.

18. This Conference requests the Government that the land improvement societies proposed to be started in the Agency parts and elsewhere be registered under the Co-operative Societies Act, and helped by the Central Banks with loans repayable in 10 to 15 years.

Rayalaseema.

19. This Conference requests the Government to start immediately the Tungabhadra and other minor projects in the Rayalaseema for the economic betterment of the people there.

20. Resolved to appoint a Committee to suggest ways and means for the rehabilitation of the Co-operative Movement in the Rayalaseema. The Executive Committee of the Andhra Desa Co-operative Union is authorised to convene the Committee.

21. This Conference requests the Madras Provincial Co-operative Bank to accord credit facilities, to the Central Co-operative Stores working in the Rayalaseema through the respective Central Banks.

Statutory.

22. This Conference requests the Registrar to apply the service conditions of the Secretaries of the Primary Land Mortgage Banks to the paid secretaries of the Central and Urban Banks also, at the time of their appointment.

23. This Conference resolves that the law relating to the attachment of salaries of defaulters of the co-operative societies be so amended that salaries not less than Rs. 50 also may be attached.

24. This Conference requests the Government to amend the Co-operative Societies Act so as to enable societies to take action against the surety

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to whom the movable property attached is entrusted for safe custody and who fails to produce the said property when called upon to do so.

25. This Conference requests the Government,

- (a) to exempt co-operative societies from profession tax, and,
- (b) to empower the Co-operative Department to give delivery or possession to the purchased immovable properties without recourse to the Civil Court.

26. In the execution of decrees in a Civil Court, the parties get stay order of the proceedings by offering either personal security or security of immovable property. This security Bond is executed in favour of the Court and is registered. By so doing, the decree-holder is, indirectly, having a hold upon the property offered as security. Hence, the Conference requests the Government to amend the Co-operative Act so as to empower the Registrar to take similar steps in execution proceedings.

Non-Official Employees.

27. This Conference requests that in filling up the 250 vacancies of the Junior Inspectors of Co-operative Societies in the Madras Co-operative Subordinate Service men working in the non-official institutions with qualifications prescribed by the Registrar of Co-operative Societies in his notifications appearing in the *Hindu* dated 13-4-43, be appointed.

Miscellaneous.

28. This Conference requests the Government to appoint in the Co-operative Department only Andhras for Andhra districts.

29. This Conference requests the Government to grant Government sites free of cost, for the construction of buildings for co-operative societies.

30. This Conference requests the Government to start Hydro-Electric schemes to supply electricity at cheap rates to the agricultural and cottage industries.

31. This Conference requests the Government to encourage producers' societies, by placing orders with them, whenever purchases are made by Government for military and civil requirements.

32. This Conference requests the Government to start Advisory Bodies in every Province and District to discuss, and advise the Government on subjects of nation-building importance and post-war reconstruction.

33. The Conference opines that, when Government requisition stocks of food-grains etc., from one district to another, under the War Emergency conditions, they should do so with due consideration for the local needs and that they should take only the surplus stocks; and, further, requests the Government to issue suitable instructions to Government Officers. The Conference also requests the Government to permit all such distribution through co-operative agencies only.

The Fourteenth Conference of Land Mortgage Banks.
30th January 1943.

OPENING ADDRESS

BY

S. V. RAMAMURTHI, ESQ., I.C.S.,

Adviser to His Excellency the Governor of Madras.

Mr. Ratnasabhpathi Mudaliar and Gentlemen,

It is kind of the Central Land Mortgage Bank, Madras, to have asked me to open this annual Conference of Land Mortgage Banks. I happened to be the Development Secretary in 1929 when the Central Bank was started and I am glad to see that the hopes then entertained of its progress have been realised in considerable measure under the whole-hearted leadership of successive Presidents, not least among them was the first, the late Mr. Ramachandra Rao.

Land Mortgage Banks can serve two purposes—one the negative purpose of removing an accretion of unproductive debt and the other the positive purpose of making land a means of creating wealth. The more indebted a person is, the greater is his liability to sink into debt like a man caught up in a patch of quicksand. By organised effort, he may be helped to save himself. The greater part of the achievement of Land Mortgage Banks has been in this direction. The war has itself helped to wipe out debt by the fact that produce which hardly left a margin over subsistence now pays well to cancel debt. It would be interesting to conduct a survey of rural indebtedness after the War so that the ground might be cleared for positive activities of Land Mortgage Banks. Of such activities you gentlemen may well think from now. It is your task of post-war reconstruction which not only means a change of scale but also a change of spirit and design.

Land, labour and capital are stated to be the three means of production. By long-term mortgage of land at reasonable interest, you can both keep the land and gain capital. What then is needed is an intelligent, energetic and fruitful use of one's labour, both physical and mental. I have recently met a young man who is a graduate of the Agricultural College who said that any one who could not make agriculture pay now-a-days must be deficient in intelligence. What is easy now is also possible after the War, though with greater labour and foresight. The decrease in transactions which is said to reduce your profits should be a cause for satisfaction and an opportunity for effort in a different direction.

Land improvement is bound to play an important part in the years to come after the War. We are all glad to see that after the strain of four long years, the world is beginning to see the dawn of the end. We in India have been fortunate in having escaped physical contact with war though we have not escaped and could not have escaped the economic and other indirect effects of war. Our thoughts in this country, as elsewhere in the world, are turned to a quick and large scale development of our economic resources. Science has been achieving new vistas of action. The tempo of men's minds has changed. The moral objectives of men are no longer consistent with a few living well, while the many lack the

necessities of life. A new Science of Agro-biology teaches that the world can produce from land 4 or 5 times the amount it now does and can feed 4 or 5 times the present population of the earth, without any nation feeling the need to be conquerors or coolies. We in India have never sought to conquer unless it be in things of the spirit, as when we give our religion and culture to our neighbour in Asia. The resources of India are inexhaustible because the ever living source of power, the Sun, blesses us more perhaps than in any other country with an equally intelligent population. With the advent of science, our agriculture should be the base of a new story of wealth through industry. Indeed, I have often thought that every agricultural crop should pass vertically through industrial process into more and more mobile products for the use of man. While water intensifies agriculture, hydro-electricity helps industry. Both agriculture and industry can be developed in our waste spaces by intensive eradication of ill-health and infertility. I trust that for measures which the Madras Government are investigating to increase the wealth of this Province and thereby the social amenities which the people may enjoy, the full human resources of the Province will be available. No efforts of the Government can have the measure of success that is needed to help the whole people, unless all the people seek to harness their vision and energy for the purpose.

The credit that is based on land is as vital as the energy that is derived from water or the power that is derived from the Sun. Land, Water and Sun—*Pridhiyapasthejamsi*—are the major partners of the five elements that are at the basis of the world and take part in its growth. I trust that the economists of Land Mortgage Banks will take their share along with scientists and engineers in achieving the economic development that we dream of.

Certain matters relating to the working of the Land Mortgage Banks have been referred to by you, Mr. President. In regard to the employment of advance collections, I consider that your proposal to use them more profitably than is now done is justified. Safeguards proposed by the Reserve Bank in this connection are being examined. The reduction of the rate of interest may well be re-examined in the light of present day facts, if your conference will make out a case so based. The question of extension of Land Mortgage Banks to dry land may be again taken up in the light of possibilities of large scale improvement offered by irrigation schemes, antimalarial measures, electric development and increased production of chemical manures. The need for Government to provide supervisory staff may well be pressed at the present time when your transactions for old purposes have been reduced but your organisation should continue to take up new tasks in the near future. Perhaps you will think of building when it is cheaper to build but you may reiterate your request for a building fund. In all these matters, it would be wise to re-examine old decisions in the light of new facts and urge the considered view of this Conference. For myself, I can assure you that the Government will deal with the views of such a responsible body as this Conference with understanding and sympathy.

I have now much pleasure in declaring this Conference open and wishing it all success in its deliberations.

How Co-operatives have helped the Public and Checked Profiteering and Rise in Prices.

(Contributed.)

1. Instances in the South Arcot District.

In June 1943, there was scarcity of rice at Pondicherry. The Central Stores did a signal service to the people and the Government of Pondicherry by coming to their rescue at the right moment. At the instance of the Collector of South Arcot, acting under instructions from the Government of Madras, the Central Stores supplied 52 tons of rice to the value of Rs. 12,000 from out of its reserve stock to the Pondicherry Government. This supply considerably eased the food situation at Pondicherry and enabled the Government to tide over the crisis. In order to replenish the reserve stock of the Central Stores, the Collector subsequently helped the Central Stores with the necessary permits for the transport of rice from Chidambaram to Cuddalore. These timely services helped the Central Stores to get the active support of the Collector in all its subsequent transactions. Since then, the Collector has been helping the Central Stores in the matter of allotment of commodities and in giving the necessary transport facilities as and when the Central Stores applied for them.

2. There was unprecedented rainfall and floods towards the end of May 1943 in the district and both road and rail transport was completely stopped for a time. There was shortage of rice and gingelly oil at Cuddalore at that time. The South Arcot Central Stores was holding adequate stocks of rice as it is required to maintain two months reserve stock of the primaries under the scheme. It was, therefore, possible for the Central Stores to go to the rescue of the people at this time of crisis and the distress was considerably mitigated as a result of the distribution of stocks available with it to the people through the primary stores and their numerous depots. The depots opened by the primary stores were particularly serving the poorer classes at this time, as there was heavy rush for the purchase of rice. The crisis was tided over with the available stock and when communications were restored, the Central stores made arrangements for replenishing its stock by getting the necessary transport facilities from the Collector. Similarly in the case of gingelly oil, oil was scarce at that time, as there was breakdown in railway transport and the oil could not be imported either from Madras or from other places. At that time the Central stores had enough stock of gingelly seed and it made arrangements for converting gingelly seeds held by it into oil and supply pure oil to the primaries. The scarcity was thus mitigated and the people were enabled to get oil without much difficulty.

3. There was acute shortage in the supply of firewood at Tindivanam and people were unable to get their bare requirements. The Tindivanam Government Servants' Stores was able to ease the situation by stepping in at the critical time. It undertook to procure and supply firewood at

controlled rates to both members and non-members. The Sub-Collector who was the President and the other officers of the Revenue Department assisted the Stores in procuring and supplying firewood from the neighbouring topes. It purchased 83 tons of casurina, 11 tons of junglewood, 192 tons of casurina sticks to the value of Rs. 1,356 and the distribution was made at the rate of $\frac{1}{2}$ gundu to 1 gundu per individual according to the total quantity of firewood procured by the stores. With a view to ensure equitable distribution the stores arranged for an informal rationing scheme in the distribution of firewood by the issue of ration cards.

4. Kottakuppam is a British village lying close to Pondicherry with a population of 8 000. Bommipalayam is another British village nearly with a population of about 4,000. As a war time measure movement of goods is prohibited from British into French territory. The only places from which goods could be brought into these places are Cuddalore and Tindivanam. The villages could be reached from either of these places only through French territory. Hence permits have to be got everytime when goods are to be taken to the villages. The officers of the Revenue Department were reluctant to give permits to private merchants as the goods were frequently smuggled into French territory, which is close by. The Collector of South Arcot desired that a co-operative stores might be formed in the place so that rice and all other essential commodities could be sold to the public. A stores was accordingly formed at Kottakuppam and Bommipalayam was also included in the area of operation of the stores. The South Arcot Central Stores which is running the scheme of food supplies agreed to supply the stores with all its requirements of rice and other essential commodities and also assisted the Stores in getting the necessary permits every time the goods had to be transported to the village through French territory. The Collector was also pleased to say that the Deputy Registrar might allow such quantities to the stores as he thought fit. During the short period of about 9 months, the stores has made much headway and its business has considerably increased. It has established itself fairly well and is very useful to the people in the present time, when they are bereft of other sources of foodstuffs.

5. The Central Stores got a consignment of 180 bags of potatoes at a cost of Rs. 3,960 from the Nilgiris Potato Marketing Society by about the first week of October 1943. The market price at Cuddalore then was annas 12 to 14 annas a viss in the Cuddalore town. By distributing the potatoes at Rs. 25-8-0 per bag, the primaries were enabled to sell at 8 annas per viss which forced the private merchants to reduce their prices by four annas a viss in the Cuddalore town thus bringing the retailer's market price to 8 annas. The Collector appreciated the effect produced by the action of the Central Stores and instructed the Tahsildar to see that merchants responsible for undue profiteering did not get potatoes at all.

6. From October 1943 onward, there was dearth of chillies in the district, consequent on the ban on the export of chillies from Ramnad and Tinnevely districts. Under the permit which the Collector was pleased to grant for export of chillies from Tinnevely, the Central Stores placed orders with the Tinnevely Central Stores for 25 tons. The consignment was received by the Central Stores in December, 1943. At the time the local retail market rate of chillies was Rs. 2 to Rs. 2-4-0 per thooke (4 lbs.) The chillies were released by the Central Stores at the prices fixed by the Collector and the distribution of these 25 tons (1000 bags) in the district at Rs. 1-7-6 per thooku, considerably eased the situation and the public were enabled to purchase chillies at a cheap rate.

7. There was dearth of redgram dhol of good variety in the district. The merchants who had a stock of good variety, taking advantage of the situation, put up the prices at Rs. 55 per bag. The Central Stores applied to the Collector for a permit to export 20 tons of Sengal Dhol from the Trichy District. The permit was granted and the Trichy Central Stores was entrusted with the purchase of 272 bags to the value of Rs. 8,153-6-4. There was already a stock of 189 bags of arhar dhol with the Central Stores supplied by the Collector under the basic purchase scheme. But the commodity was not readily marketable as it was not a good variety. The Collector of South Arcot District in fixing the fair price of Bengal dhol allowed a profit of $6\frac{1}{4}$ per cent over the cost price and the incidental charges and also ordered the release of Bengal dhol in equal proportion to arhar dhol. There was such a keen demand for sengal dhol from all parts of the District on account of its cheapness and superior quality that the entire stock of dhol was disposed of. The Central Stores sold each bag at Rs. 33. As a result of this dhol which was selling in the retail market at one measure per rupee was possible to be sold at $1\frac{1}{2}$ measures per rupee.

8. There is a demand for the Tuticorin white salt in Cuddalore Town. The Central Stores arranged to purchase Tuticorin salt through the Tinnevely Central Stores and was able to sell a bag at Rs. 7-1-9. At that time the market rate was Rs. 7-4-0 per bag. Thus the Central Stores was able to make Tuticorin salt available at 0-2-3 per bag less than the market rate.

2. Instances in the Salem District.

Seeing the severe distress of the public in Salem town due to scarcity of fuel, the Co-operative Wholesale Stores opened firewood depot in November 1943 as desired by the Collector. The co-operative wholesale stores was able to supply fuel to about 1,500 poor and middle class people at 0-9-0 per gundu while the merchants were selling it at a rate ranging from twelve annas to one rupee. The Co-operative Wholesale Stores also supplied 101 bags of black gram at a rate not exceeding Rs. 40 while the local merchants sold the same at rates ranging from Rs. 45 to 48.

2. The Salem City Co-operative Stores opened seven centres for the distribution of food grains at the instance of the Revenue Department as

THE MADRAS JOURNAL OF CO-OPERATION

Fair Price Depots early in May 1943 when the food situation in Salem became acute and before the identity card system was introduced. The stores did appreciable work by way of distribution of food grains and relieving the distress of the entire population of Salem town. It was the sole retail distributor of food grains from 1-5-43 to 10-8-43, after which informal rationing on the basis of identity card system was introduced when in addition to the 21 depots run by the City Stores, 33 merchants were also included in the scheme by the Collector with a view to allay their discontent. While the merchants were selling rice at 1½ M. M. per rupee through black market, the City Stores supplied it at 2½ M. M. per rupee. Thus during this period the Stores distributed rice and other food grains to the public as detailed below :—

Name of Commodity.	No of bags. (at 45 M. M.)	Value.
1. Rice	9,677	Rs. 1,78,432
2. Paddy	6,819	62,190
3. Cholan	729	16,291
4. Cambu	932	25,021
	<u>18,157</u>	<u>2,81,934</u>

From 11-8-43 to 2-1-44 during the period of informal rationing, the City Co-operative Stores catered to the needs of nearly half of the population of the town, as evidenced by the following figures.

Total number of units enumerated.	No. of units catered by the depots run by city stores.	Total number of bags allotted for the town per week.	Quantity distributed by city stores per week.
1,60,166	76,238	6,298	3,023

Due to introduction of statutory rationing with effect from 2-1-44, the quantity of food grains distributed by the Stores went down and the stores can now be said to serve the needs of only 25 per cent of the population in the town, by running the twenty one retail shops without any hitch. The remaining 75 per cent is being served by 59 merchants individually. The confidence reposed by the Collector on the City Co-operative Stores will be evident from the fact that more than 25 per cent of the retail distribution of rice is entrusted to it. It is thus distributing 1,817 bags of 45 M. M. of rice per week out of the total estimated quantity of 7,000 bags of food grains intended for the entire population of the town per week. Further the Stores has been allotted a liberal quota of 200 bags of sugar per month for distribution to the public.

In the case of Horlicks and boot polish supplied by Parry & Company, the prices fixed by the Company are faithfully adopted by the Stores while the ordinary merchant sells the articles with a high profit which goes up to even 100 per cent. A bottle of Horlicks sells at 3-8-0 and a tin of boot

HOW CO-OPERATIVES HAVE HELPED THE PUBLIC

polish at 0-3-0 in the City Stores while the merchants rates are Rs. 5-8-0 and 0-5-6 respectively. It is necessary that in addition to regulating the prices of commodities by control orders, the Stores should be supplied with sufficient stocks to prevent profiteering by merchants. The stores societies are the only organizations which rigidly observe the control orders. In view of this, the Collector of Salem has been pleased to nominate the President of the City Stores as a member of the Anti-profiteering and hoarding Committee and the Committee to work out the Drugs Control Order 1943.

The Co-operative Wholesale Stores has been playing its part appreciably. The Collector has asked the Co-operative Wholesale Stores to undertake the import and distribution of the following commodities.

Australian Wheat	Bengal Gram
Wheat products	Ragi

Under instructions from the Collector, the Co-operative Wholesale Stores purchased for distribution to the public various commodities from various places from 1-4-'43 as shown below :—

		Bags.	Value Rs.
Rice	...	72,861	13,11,508
Rice from Attur	...	4,748	85,470
" Harur	...	1,390	25,014
" Dharmapuri	...	3,478	62,596
Ragi from Hosur	...	16,714	1,64,284
Maida	...	1,475	49,516
Sooji	...	695	37,403
Atta	...	920	26,001
Wheat	...	223	6,946
Bengal gram	...	1,551	53,203
		<u>1,04,055</u>	<u>18,21,941</u>

Instances in the Cuddapah District.

As the fire wood scarcity was great in the month of November it was resolved in the District Periodical conference, held on 21-11-1943, to open firewood depots at Cuddapah, Proddatur and Jammalamadugu towns to facilitate the supply of fuel to the public and the Collector addressed concerned Tahsildars and a copy of the memorandum was forwarded to me in his A-3-11899/43 dated 1-12-43 to enquire whether the primary stores and the Wholesale stores working at Proddatur, Jammalamadugu and Cuddapah would undertake the business and if so to send their consent letter and an application. Accordingly the Wholesale Stores and the Proddatur stores have obtained the necessary licence and they are running the business. The Cuddapah Wholesale Stores started the business on 23-12-1943 by opening

one depot in Cuddapah Town and effected sales to the extent of Rs. 7,083. One "Ethu" weighing $11\frac{1}{2}$ maunds of fuel is given for each individual at a cost of Rs. 1-14-0. The effect of these arrangements is that the public are now able to get firewood regularly at Rs. 1-14-0 per $\frac{1}{8}$ ton instead of Rs. 2-8-0 and Rs. 3 previously. Thus the scarcity of fuel at Cuddapah has been brought under control. Since the supply of fuel was not regular and systematic from the contractors, the fact has been taken to the notice of the District Forest Officer, Cuddapah (South) and the Collector, and the District Forest Officer has started that steps are being taken to ensure regular supply. The Proddatur Primary Stores has opened one fuel depot in Proddatur town. Rajampet Co-operative Stores also has opened a fuel depot to supply fuel to the town at controlled rates.



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News and Notes.

Civil Supplies—Ghee and Butter—Transport outside the Province Prohibited.

The prohibition of the export of Ghee to places in India outside the Madras Province except under permits issued by the Commissioner of Civil Supplies in Government of Madras, Development Dept. Notification 476/13-8-43, has now been extended to butter also in G. O. No. 310 dated 24-1-44.

Palni Co-operative Urban Bank, Ltd.

The Silver Jubilee of the above Bank was celebrated on 9-2-1944 under the presidency of Sir P. T. Rajen, Bar-at-law, Madura. There was a procession followed by a group photo and a Tea Party on a grand scale. Sri S. H. M. Palaniswami Achariar, Vice-President welcomed the guests and the history of the Bank was read by Sri P. Muthu Thevar, the President. Speeches were delivered by Sri W. Gnanasambandham, Dy. Registrar of Co-operative Societies, Madura, Sri V. Alagappan, Secretary of the Madura-Ramnad Central Co-operative Bank, Sri C. Krishna Iyer, and Sri K. S. Sundaraswami Iyer, retired Tamil Pundit of the local Municipal High School, about the activities of the Bank. After a musical entertainment, the function came to a close with a vote of thanks proposed by one of the Directors Sri Shanmugasundara Nadar.

Sri Ranganatha Co-operative Stores, Srirangam.

The above stores was registered on 16-1-40 and started work on 26-2-40 with 47 members and a share capital of Rs. 1,640. On 31-12-43 the number of members has risen to 723 with a capital of Rs. 10,920.

The purchases and sales of the stores has increased from 90 and 95 thousands respectively to 1'50 and 1'45 respectively and the net profits for the year 1942-43 amounted to Rs. 7,178.

The Stores is selling both controlled and uncontrolled articles to both members and non-members. The President of the Hindu Religious Endowments Board has permitted the local Devasthanam to join the Stores as a member and the purchases by this Devasthanam alone during 1942-43 was Rs. 46,174. The Stores is purchasing butter from Contractors and melting the same in the premises which is being supplied to the Devasthanam and public. 419 card holders were supplied kerosene at half a bottle a week from Dec. 1941 to Nov. 1942 and since the quota has been cut from 48 to 11 tins per month, the Stores has been able to supply only for 60 card holders. Identity cards had been issued for the supply of sugar and matches to regulate even supply of these articles to the Public.

A branch Stores was opened on 16-9-43 in North Gate by Sri S. V. Ramamurthy, M.A., I.C.S., C.I.E., Adviser to H.E. the Governor of Madras and a few more are proposed to be opened with the introduction of rationing in this Town.

Increase in Vegetable Production.

In August 1943, the Government sanctioned the appointment of a temporary staff for a period of one year in order to increase vegetable production in and around Madras City and the towns of Coimbatore and Trichinopoly. They have now sanctioned for a period of one year further staff and expenditure for increasing the production of vegetables in certain selected towns in the mofussil. The Government have also sanctioned the opening of a seed depot in Madras City to meet the increase in demand for vegetable seeds. A Special Agricultural Demonstrator will run the depot under the control of the District Agricultural Officer, Saidapet. It is estimated that 60,000 packets of seeds will be sold in the City per year. The Government have directed that a packet of seeds should be sold at 3 annas each.

Increase in Paddy Acreage.

The Government of Madras, in reviewing the administration report of the Agricultural Department, announce that as a result of the 'Grow More Food' campaign the acreage under paddy cultivation in the Presidency increased from 10'23 to 10'38 million acres during the last official year and that 85 lakhs of pounds of pure paddy seed were distributed as against 55 lakhs in the previous year.

Likewise the acreage of potatoes in the Nilgiris rose from 17,400 to 18,000 during the year under review and special schemes for cultivation of English and Indian vegetables for the Army in the Nilgiris, Vizag. and Hosur were under operation.

THE MADRAS JOURNAL OF CO-OPERATION

Milk Supply in the City.

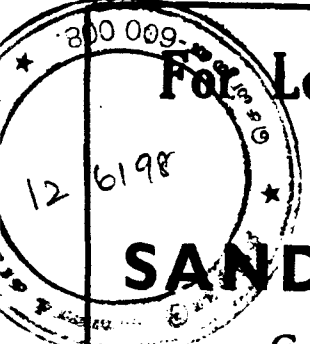
Mr. A. Palaniappa Mudaliar, Deputy Registrar of Co-operative Societies, Cuddalore, has been appointed Special Officer to investigate into the question of milk supply to Madras City for a period of 6 months. He has been directed to submit within a month of his taking charge a preliminary report giving an idea of the movement of the prices of cows' and buffaloes' milk in the City during the last three years, furnish a rough estimate of the normal consumption requirements of the City and how the present supply, as can be gauged from the data readily available, fall short of this estimate. In three months he has to furnish a detailed report making specific suggestions for increasing and improving the milk supply.

Cattle wealth in the Province.

In connection with the plan for postwar reconstruction, the Government are considering measures to provide for a large increase in the good quality cattle of the Kangayam and Ongole breeds and Sindhi cows. Such a provision, it is realised, is urgent for the Madras Presidency, as a large number of poor quality cattle are being slaughtered for purposes of beef; and the loss must be replaced by good quality cattle. During recent years, import of working bulls from Mysore to a tune of 1,60,000 has been stopped and the districts in the Madras Presidency adjoining Mysore are suffering greatly in consequence. It has not been found possible for Mysore, consistent with her own needs, to agree to a relaxation of the ban, Madras must, therefore, take steps to produce all the working bulls it needs, without having to depend on Mysore, because by so doing, it stands to save a crore of rupees, which it had been spending yearly before the war, in buying bulls from Mysore.

Health Service for Rural Areas.

A co-ordinated preventive and curative health service throughout the country, more particularly for the rural population, is understood to have been among the other subjects discussed at the recent meetings of the Health Survey and Development Committee and its five sub-committees.



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Working of Societies.

(Contributed.)

The Vellore Co-operative Milk Supply Union, Limited, No. C. 1325.

The Vellore Co-operative Milk Supply Union was started on its work on 5-10-39.

Membership and Share Capital:—There are 50 individual members and 9 milk Supply societies on rolls with a paid-up share capital of Rs. 1,040.

Business:—The Union gets its supply of milk (cows and buffaloes') from the feeder societies and from the collection depots opened by the Union, around the town. There are 14 milking yards from where the union collects milk and supplies to the 902 coupon holders in the town. In addition the union also supplies milk to the Central Jail, Vellore, the Presidency Jail for Women, and the Child Welfare Centres of the Vellore Municipality. The milking yards and the milch animals are periodically inspected by an officer of the Veterinary department.

During the year 1942-43, the milk union purchased 2,89,962 Madras measures of milk, of which 2,89,449 measures were sold for Rs. 1,03,435 and the balance was converted into by products *i. e.* palgova, butter, ghee and casein and sold for Rs. 307-8-0. The society owns a cream separator. The present selling rate of milk per measure is 0-6-9 for cows milk and 0-7-6 for buffaloes milk respectively. During the year ended 30-6-43, the union earned a net profit of Rs. 5,144 and the reserves created so far amounts to Rs. 5,244.

General.—From the date of starting of this Union and especially during the period of war, the public of Vellore town and the Superintendent, Central Jail, Vellore look to the Union as the only organisation which supplies pure milk at reasonable rates.

THE Tirupur Co-operative Urban Bank, Ltd., Tirupur. **WANTED.**

Applications are invited for the post of Secretary. Applicant should state clearly, age, all qualifications, and previous experience with details. Salary—Rs. 75—5, (A)—100. Security—Cash Rs. 1,000. Other Securities Rs. 5,000.

Graduates with successful Co-operative training will be given preference.

Last date for receiving applications is 15-3-44.

(Sd.) K. S. RAMASWAMY GOUNDER,

Hon. Secretary.

Order.

G. O. No. 58, 5th January 1944.

Acts and Rules—Co-operative Societies Act—Rules—Rule XI—
Levy of audit fees from Stores Societies—Amendments—Confirmed.

APPENDIX.

NOTIFICATION.

In exercise of the powers conferred by sub-sections (1) and (2) of section 65 of the Madras Co-operative Societies Act, 1932 (Madras Act, VI of 1932), His Excellency the Governor of Madras is hereby pleased to make the following amendments to the rules published with Development Department Notification No. 264, dated the 1st August 1933, at pages 1178–1185 of Part I of the *Fort St. George Gazette*, dated 1st August 1933, as subsequently amended, the same having been previously published as required by sub-section (3) of the said section:—

AMENDMENTS.

In clause (b) of the proviso to sub-rule (1) of rule XI of the said rules—

(1) in sub-clause (i) the words “a stores society” shall be omitted; and

(2) in sub-clause (iv) the words “or a stores society” shall be omitted.

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

SRI DEWAN BAHADUR C. S. RATNASABHAPATHI
MUDALIAR, C.B.E., *President.*

Authorised Capital	Rs. 20,00,000.
Paid-up Capital	„ 10,72,300.
Statutory and other Reserves	„ 11,09,377.

The Bank is the apex bank for the issue of long-term agricultural credit through the co-operative land mortgage banks in the Province.

The Bank issues first mortgage debentures fully guaranteed by the Government of Madras, both as regards principal and interest. For each series of debentures issued, a Sinking Fund in the lines advised by the Reserve Bank of India, Madras, is constituted into which payments are made to accumulate funds to pay off debentures on maturity.

For further particulars, apply to the Secretary.

LUZ, MYLAPORE, MADRAS, } N. S. KONETI RAU, B.A., B.L.
Dated, 18th Jan. 1944. } *Secretary.*

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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: SRI 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:—

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The Madras Provincial Co-operative Marketing Society, Limited. (D.M.S.)

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4. Kilpauk Branch II ... No. 11, Rajaratnam Road, Kilpauk.
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6. Nungambakkam Branch ... No. 1, New Street, Nungambakkam.
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12. Barbers' Bridge Firewood Depot ... Mylapore.
13. Mambalam Firewood Depot. ... Sivaprakasam Road, T. Nagar.
14. Nungambakkam Firewood Depot ... Avenue Road, Nungambakkam.
15. Wall-Tax Road Firewood Depot ... No. 130-A, Wall-Tax Road, G. T., Madras.
16. Triplicane Firewood Depot. ... No. 2, Bandi Venkatesa Naicken Street, Triplicane. (near Ganganna Mandapam).
17. Mylapore Firewood Depot. ... No. 18, Mundakkanni Amman Koil St., Mylapore.
18. Alwarpet Firewood Depot. ... Mowbray's Road, Alwarpet.
19. Chintadripet Firewood Depot ... No. 10, Mangapathi Naicken Street, Chintadripet.
20. Purasawalkam Firewood Depot ... Gangadeswaran Koil Street, Purasawalkam.

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