

Regd. No. M. 1284.

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THE

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EACH FOR ALL, AND ALL FOR EACH

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Editorial Notes.

Supervision of Stores :

We are gratified to learn that the Government of Madras have been pleased to sanction for one year not only the continuance of the existing official staff for direction and general supervision of stores societies but have also agreed to increase the staff to the extent necessary to provide adequate supervision by providing a Sub-Registrar for each district and a Senior Inspector for every 25 stores societies in the districts where the number of stores exceeds 30. In the past we have urged that the audit staff also should be strengthened so that timely audit of the stores societies may be ensured and defects noticed may be promptly rectified. We do not know what the Government propose to do as audit is one of the essential duties imposed on them by the statute. The existing staff is not able to cope with the audit of the stores societies and complete their audit in time as the nature of transactions in these societies, where even non-members are entitled to purchase, are many though small and somewhat confusing. We request the Government once more to strengthen the audit staff and also to arrange as far as possible concurrent and interim audit of accounts of as many stores societies as possible so that the errors committed may not accumulate rendering it difficult to set right after a lapse of time.

In the Government Order sanctioning the staff, no reference is made to the representations made by non-official co-operative opinion which whole-heartedly supported the Registrar of Co-operative Societies. It cannot be these representations had no effect on the

bureaucratic machinery at all. It would not in any way offend the sense of propriety or affect the dignity of Government if in passing orders on these and such other matters reference is also made to representations received from the non-official public. Such reference would enhance the reputation of Government rather than lower their prestige.

Stores Conference:

The consumers' co-operatives have come to occupy an important place in the economy of the Province. Their phenomenal growth, to which we have more than once drawn attention, has been a striking feature of war-time economy. Thanks to the ungrudging support given by the Department, they have been playing an important part in the distribution of foodstuffs. Problems incidental to such striking progress within a short time have cropped up and it was well that the representatives of these stores societies who are keenly alive to the needs of the situation met again under the distinguished presidency of the Hon. Sir N. Gopalaswami Iyengar. The Conference was also fortunate in securing Mr. T. Austin, Adviser to His Excellency the Governor, to open it. Mr. Saththianadhan, Registrar of Co-operative Societies, who is unsparing in his efforts to promote the consumers' movement, addressed the Conference on questions affecting the stability and strength of the movement. A perusal of the speeches of these three eminent co-operators is worth the trouble as they were all anxious that these so-called 'war-time babies' should become a permanent feature and continue to play a leading role in the distributive system of the Province. Unfortunately economy imposed by the Paper Control Order has compelled us to postpone their publication. Mr. Austin pleaded strongly that the range of goods dealt with by these organisations should be widened beyond controlled commodities, they should improve their business methods, and that they should undertake all processes usually followed in ordinary trade channels. Sir N. Gopalaswami Iyengar wanted them to become real social service organisations bringing within their orbit common man in the village who has so long been kept out of them. In this connection he put in an emphatic demurrer to the dictum laid down by the Townsend Committee that the stores societies cannot thrive in rural areas. Sir Gopalaswami Iyengar strongly pleaded for the promotion of multi-purpose societies to promote all kinds of co-operative activities. But we venture to submit that while there are distinct advantages in having one composite organisation, there are other problems such as the nature of liability based on mutual knowledge and mutual trust, the foundation on which the village credit society rests, which require consideration. Whether it will be possible to model the society without offending the basic principles and at the same time achieve the multi-purpose idea is a matter for further examination. We hope Co-operators will give their serious consideration to this aspect of the matter. Mr. Saththianathan was naturally anxious to

secure permanence of these organisations which had grown under the stress of war-time conditions. He pleaded for increased share capital and strengthening of reserve fund.

Sir N. Gopalaswami Iyengar put forward a strong plea for the creation of a body of experts to study the trends of trade, especially retail trade, and ensure efficiency standards in the working of stores. We have more than once drawn attention of our readers to the movement sponsored by retail dealers in this regard in other parts of the world, particularly in the United States of America, and emphasised the need for similar move on the part of consumers' co-operatives. Whatever may be the constitution of such a body, it should be its constant endeavour 'to study and scrutiny the achievements of stores societies here and elsewhere so as to bring about increasing efficiency. A Standing Committee of the Madras Provincial Co-operative Union with necessary facilities afforded can amply serve this purpose and we hope such a Committee will soon be brought into existence.

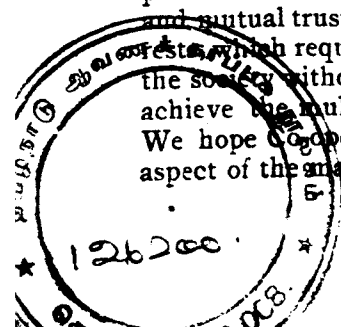
Financial Strength of Stores:

We have already referred to the speech of Mr. Saththianadhan wherein he pleaded for strengthening of the financial resources of the stores societies to enable them to withstand the fierce competition with which they will have to meet from private trade after the war. In this connection we would invite the attention of our readers to what is known as the retention of dividends on the "revolving reserve" basis to furnish working capital which has been so successfully adopted in Saskatchewan, an account of which we give below:-

During the early development of co-operative purchasing associations in Saskatchewan funds for operations were provided by share capital, by retention of a substantial portion of the earnings of the association and supplemented by borrowings from banks and from suppliers. In many instances the shares were of fairly high par value ranging anywhere from \$25 to \$150. Sometimes members were encouraged to leave their dividends with the association as temporary loan capital or for the purchase of goods.

After 1930 there was a rapid development of bulk commodity associations where initial investments in the form of share capital was not as important. Shares of a small par value, usually, \$5.00 each, became common and the by-laws of each association specified a minimum quota of shares from each member to be accumulated out of patronage dividends. In this way a large volume of capital was built up out of earnings during a period when but little money was available for investment as far as the farmers were concerned.

The next step was a plan for the retention of dividends on the "revolving reserve" basis to furnish working capital and this has become quite common during the past few years. The adoption of this plan has definitely decreased the need for share capital as such, as,



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through the retention of dividends by the association the member furnishes operating capital in proportion to his patronage. If he ceases to patronize the Association he will in time receive his share of dividends retained. The general adoption of this plan means that share capital as such becomes a basis of membership and control by the members rather than a means of investment and as a result most co-operative associations are discontinuing the payment of interest on share capital.

Many associations are now transferring a large portion of their share capital to a "membership loan account." More recently the expansion of activities of co-operative associations such as the purchase of stores is being financed by loans from the members, bearing a moderate rate of interest. These loans will be repaid as quickly as the financial position of the association permits.

In conclusion it may, therefore, be said that up to 1930 co-operative associations were financed by fairly high individual share investments, plus unallocated earnings retained permanently by the association, plus borrowings. After 1930 the emphasis was on bulk commodity associations with small shares accumulated largely out of patronage dividends. The need for more operating capital led to the retention of dividends on the revolving reserve basis. At present a great deal of emphasis is placed on loans from members bearing a moderate rate of interest but with no interest on share capital.

May we not adopt some such system of retention of dividends and thereby augment the working capital? Indirectly we strengthen the stores movement to withstand the onslaughts on it after the war.

Milk Supply:

Sometime ago we published a questionnaire on milk supply issued by the Special Deputy Registrar of Co-operative Societies appointed to enquire into this important question of milk supply position in the Madras City. As conditions are more or less similar in many areas, especially in towns in this Presidency, the report of the Special Officer is of more than ordinary interest. A press summary issued by the Government, we regret to say, does scant justice to the problem. We request the Government to make the whole report available to the public so that the social conscience of the community may be quickened to realise the seriousness of the situation facing it and assist Government in such measures as they may undertake to solve the problem. Popular co-operation is highly essential in tackling a problem of this great magnitude.

The Special Officer was required to investigate the present position of milk supply in the Madras City and suggest measures necessary for increasing and improving the supply. According to him, the normal *per capita* consumption in the City, varying according to the income, has fallen considerably from 2.3 oz. in 1941. Nutrition experts would aver even this was insufficient. The reasons for this fall are the enormous increase in the milk consuming population without corresponding increase in the number of cattle and the decreased yield in the existing cattle for want of proper nourishment

due to the increased cost of feeding stuffs. Naturally when the supply is not able to cope with the demand the price of milk has shot up, increase being more than 100 per cent, preventing families with low income from consuming milk. Increased demand has also resulted in adulteration. So it is suggested that not only the number of milk-yielding cows and buffaloes should be increased but that adequate supplies of feeding stuffs should also be made available at economic prices. It may be to achieve the latter object, a system of rationing of feeding stuffs may be necessary. If after taking all these steps it is found imperative to introduce rationing of milk and its necessary accompaniment, price control, the Government should be prepared to do so. From such summary of the recommendations of the Special Officer which have been published it is seen that he has gone thoroughly into the whole question of milk supply and has made very valuable suggestions. It is hoped that in view of the seriousness of the problem facing the City, there will be no delay in dealing with the recommendations and taking prompt action on the same. Delay for any reason spells disaster affecting seriously the health of the City.

Growth of Cotton:

In our enthusiasm for 'Grow More Food' campaign, we are prepared to support Government in undertaking measures calculated even to restrict the cultivation of cotton. While everyone is agreed a change-over to the cultivation of superior grades of cotton is highly necessary, very few will agree that wholly food crops should be grown at the expense of cotton. Is not cotton also essential for clothing? Are not food and clothing equally the essential needs of the community? It is rightly pointed out women would rather face starvation and die than go naked. The cult of nudism has not yet spread to India. Instead of undue curtailment of cultivation of cotton, what is wanted is a readjustment of cultivation of food and commercial crops which, it is hoped, will be arranged as part of post-war reconstruction. Deliberate planning in respect of cotton cultivation consistent with the needs of the community for internal consumption and to give effect to the principle of self-sufficiency is more important, nay imperative, than production with a view to export as raw material to countries where textile industry flourishes, be it Great Britain or Japan.

Dr. Kagawa Vindicated:

From the later issues of *The Co-operative News* of Australia received, it is seen that Dr. Goddard's article on Japanese 'Christian' spies with special reference to Dr. Kagawa is greatly resented and denied and Dr. Kagawa is even hailed as the inspirer of Victorian Christian Co-operative Movement. Some leading Sydney Co-operators have also joined in the denial of Dr. Goddard's baseless assertions. *The Co-operative News* proposes to publish soon an informative article on Dr. Kagawa's life and work.

Working of Societies.

- (i) The Vizianagaram Co-operative Central Bank, Ltd., and
(ii) The Madura-Ramnad Central Co-operative Bank, Ltd.

The Reports record an all-round progress: there were increases in owned capital, deposits, loans transactions. The main items at the end of the year (on 30-6-1943) are summarised below:—

Items.	Vizianagaram Central Bank.	Madura-Ramnad Central Bank.
	Rs.	Rs.
Share Capital ...	2'04 lakhs.	4'01 lakhs.
Reserve Fund ...	0'93 „	2'41 „
Deposits and Liabilities	21'03 „	48'40 „
Loans due to the Bank...	10'18 „	16'12 „
Cash credits to the Bank	1'60 „	22'50 „
G. P. Notes and Invest- ments ...	9'14 „	15'55 „
Cash ...	2'47 „	2'16 „

The standard of liquidity maintained is quite satisfactory. The overdues of societies to the Vizianagaram Bank was Rs. 3.72 lakhs and to the Madura-Ramnad Bank Rs. 1.95 lakhs. Bad and doubtful debts are provided for by Special Reserves which amounted to Rs. 71,500 and Rs. 1,22,000, respectively. 536 societies were affiliated to the Vizianagaram Bank and 682 societies to the Madura-Ramnad Bank.

Both the reports refer to the changes in the trends of their loan business. Time was when the agricultural *credit* societies were the main, perhaps the sole, seekers of the Bank's credit. It was the fashion to say that other types of societies—credit and non-credit—should be self-sufficient and depend mainly on local capital. Now, the war and the fluctuation of the circumstances of the rural credit societies have changed all that; the stores—wholesale and retail—that have been brought into existence have to be provided with finance on a liberal scale. The Madura-Ramnad area has the distinction of having been the first in the field to develop the store societies. Cash credits to the tune of Rs. 12 lakhs were granted to the stores and Rs. 11.35 lakhs to sale societies. The Vizianagaram Bank granted to stores societies cash credits to the extent of Rs. 1.56 lakhs. Part of these credits are guaranteed by Government under the "Emergency Food Supply Scheme."

The reports publish the customary statistical information.

T. R. N.

Judgments.

I

IN THE HIGH COURT OF JUDICATURE AT MADRAS.

Present: —MR. JUSTICE HAPPELL.

Chigurupalli Krishna Rao, minor and another ... Appellants.*

v.

The Manager, Bhaskararaopuram Co-operative
Society, represented by its Manager, Bellamoodi
Sankara Rao ... Respondent.

Limitation Act (IX of 1908), Article 181—Award under the Co-operative Societies Act (II of 1912)—Enforcement—Sale and confirmation—Application for delivery of possession after three years from the date of confirmation—Barred by limitation.

In enforcement of an award under the Co-operative Societies Act, the appellant's property was brought to sale and purchased by the decree-holder and the sale was duly confirmed. An execution application in the Civil Court was filed by the purchaser after more than three years from the date of confirmation of the sale. On the question whether the application is barred by limitation.

Held, that the right to apply in execution accrued on the date of the confirmation of the sale and not from the date when the attempt of the purchaser to enter on the land was resisted. The application for delivery of possession had to be made within three years from the date of confirmation of the sale and therefore the present application was out of date in the circumstances of the case.

Sambasiva Mudaliar v. Panchanatha Pillai (1907) 17 M. L. J., 441 : I. L. R. 31 Mad., 24 explained.

Appeal against the order of the District Court of Vizagapatam dated 6th April, 1943, and made in Ap. No. 326 of 1943 preferred against the order of the Court of the District Munsif of Chitacole dated 14th July, 1941, and made in O. E. P. No. 364 of 1940 in Awards No. 245, 943 and 264 of 1931-32, Co-operative Society, Bhaskararaopuram.

V. K. Thiruvankatachari for appellants.

P. V. Rajamannar and K. Subba Rao for Respondent.

The Court delivered the following

Judgment.—The question raised in this appeal is one of limitation. Three awards were obtained against the appellants under the Co-operative Societies Act in 1931. Rule 15, clause 7 of the rules made under the Co-operative Societies Act states that a decision of award shall be enforced in any of the three ways. In the present case, the award was enforced under rule 15, clause 7, i.e. by an application to the Registrar. On the 27th November, 1934, in enforcement of the award under the provisions of rule 22 the appellant's property was brought to sale and purchased by the decree-holder and the sale was confirmed on the 21st January, 1935. The execution petition out of which this appeal arises, E. P. No. 364 of 1940 was presented in the Civil Court under the provisions of rule 22, clause 12 on

* A.A.A.O. No. 116 of 1943.

22nd July, 1940. The learned District Munsif held that the application was out of time and repelled the contention put forward for the purchaser that the starting point for limitation was the date on which his attempt to enter on the land was resisted. On appeal, the District Judge of Vizagapatam reversed the decision of the District Munsif. The District Judge referred to the case of *Sambasiva Mudaliar v. Panchanatha Pillai*, and holding that Art. 181 applied and that the right to apply accrued when the purchaser of the land was resisted, found that the application was in time. Section 40 of the Revenue Recovery Act is not distinguishable in terms from rule 22, clause 12 of the rules made under the Co-operative Societies Act, and in *Sambasiva Mudaliar v. Panchanatha Pillai*, the question was with regard to the article of the limitation applicable where an application had been made for delivery of possession under section 40 of the Revenue Recovery Act. The learned District Judge, however, seems to have overlooked the fact that the result in *Sambasiva Mudaliar v. Panchanatha Pillai* was that the application which had been put in more than three years after the date of confirmation of sale was dismissed. The District Judge in his judgment has set out the whole of the first two paragraphs of the head-note to *Sambasiva Mudaliar v. Panchanatha Pillai* and between the two paragraphs he has interpolated an observation of his own to the effect that the right to apply accrues when the purchaser of the land is resisted and prevented from obtaining possession of the land purchased. It does not seem to me that in *Sambasiva Mudaliar v. Panchanatha Pillai*, there is any warrant for this observation. As the learned District Munsif points out, it would be a remarkable position if the purchaser was entitled to come to Court at any time he pleases after the date of confirmation of sale, stating that an attempt made by him to gain possession has been resisted, and claiming that he was entitled to a period of three years' limitation from the date of the resistance. In my opinion the right to apply accrued on the date of the confirmation of the sale and the application for delivery of possession had to be made within three years from that date. That being so, the appeal must be allowed with the appellants' costs throughout.

Leave to appeal is refused.

The Madras Law Journal, Vol. 86—18, dated 18-5-'44.

II

IN THE HIGH COURT OF JUDICATURE AT MADRAS.

Present :—Mr. Justice HORWILL.

Meenakshisundaram Chettiar ... Appellant.

v.

Velambal Ammal ... Respondent.

Interpretation of decrees—Award by a layman, appointed by the Registrar of Co-operative Societies—Words must be given their plain meaning—Joint decree against principal and surety—Surety a judgment debtor.

In interpreting not a decree of Court in which certain words have often a precise technical meaning, but the award of an arbitrator who is a layman, the Court should attempt to give the words of the arbitrator their plain meaning.

Where the award of an arbitrator appointed under the Co-operative Societies Act consisted of three parts, viz., (i) that the defendants 1 to 6 do pay the plaintiff a

*(1907) 17 M. L. J. 441 : I. C. R. 31 Mad. 24.

JUDGMENTS

certain sum of money, (ii) that in default, mortgaged property specified or a sufficient part thereof should be sold and (iii) that if the sale-proceeds be found insufficient, the plaintiff may recover the balance from the defendants personally, on the question whether the judgment-debtor could be arrested only if any sum remained due after the hypothecated properties had been sold.

Held, that the plaintiff could not proceed against the defendants personally unless the sale-proceeds were insufficient.

Cheruvalath Kumbanari v. Theyyatath Karan, (1914) M.W.N., 497 (second column) and *Rajah of Kalahasti v. Varadaachariar*, (1911) 21 M.L.J., 1036 referred to.

Where a joint decree has been passed against principal and surety their position is no longer that of principal and surety but of joint judgment-debtors.

Appeal against the order of the Court of the Subordinate Judge of Tanjore, dated 13th November, 1942, and made in Appeal Suit No. 188 of 1942, preferred against the order of the Court of the District Munsif of Tanjore, dated 28th November, 1941, and made in E.P. No. 416 of 1941 in A.F. No. 1378 of 1932-33.

C. V. Nagaraja Sastri for Appellant.

T. K. Subramania Pillai for Respondent.

Judgment.—The respondent is seeking to execute a decree passed by an arbitrator appointed under the Co-operative Societies Act by arresting the judgment-debtor. In the lower appellate Court two reasons were given why execution could not proceed. One was that the judgment-debtor could be arrested only if any sum remained due after the hypothecated properties had been sold. The second was that the decree-holder had done acts which relieved the appellant from his liability as a surety for the debt of his principal. Both these points were decided against the appellant.

The second point may be dealt with very briefly, there really being nothing to add to what was said by the lower appellate Court. We are not, after a joint decree has been passed against principal and surety, any longer dealing with a principal and a surety, but with a joint judgment-debtor.

The award to be executed consists of three parts. The first is that defendants 1 to 6 do pay plaintiff a certain sum of money. The second is that in default the mortgaged property specified or a sufficient part thereof should be sold; and the third is that if the sale proceeds be found insufficient, the plaintiff might recover the balance from the defendants personally or from his or their other properties. No question of the interpretation of the decree was considered by the lower appellate Court; for the argument there seemed to turn on the question whether the procedure laid down under the Co-operative Societies Act applied or the rules of the Civil Procedure Code, the lower Appellate Court holding that the rules under the Co-operative Societies Act had to be applied. Both the learned counsels in this Court agree that the Court is only concerned with the interpretation of the decree as it stands, and not with the question which set of rules have to be applied. The question argued here is whether one should regard the first part of the award as an independent remedy available to the decree-holder, or whether it is to be read only with the other two paragraphs. It is clear to my mind that the ordinary meaning to be attached to this award is that the property

should be sold in the first instance and that only if some amount thereafter remained due to the decree-holder, could the judgment-debtor be arrested or his movable property sold. Mr. Subramania Pillai has drawn my attention to *Cheruvath Kumbanari Velakathala v. Theyyathath Karan*, *where the learned Judges say :

"We are bound by a uniform course of decisions of this Court to hold that where a decree directs the defendants to pay to the plaintiff within a certain time and sale of mortgaged property in default, the decree is not only a mortgage decree, but is also a decree which may be executed against the other properties of the defendant."

My attention has not been drawn to any decisions which the learned Judges had in mind; and no reason is given in the judgment for the conclusion; but presumably the reason is that the words "that defendants do pay plaintiff" have always meant that the defendants were personally liable for the debt and could be arrested. That the mere use of these words is not however conclusive is indicated by a decision of another bench of this Court in *Rajah of Kalahasti v. Varadachariar*, * where one of the learned Judges says :

"A direction that the defendant do pay a certain sum of money, prima facie, imposes a personal liability though no doubt the words are not conclusive of the question. It may be that other clauses of the decree, if read together with such direction, might show that all that was meant by what is prima facie a direction was to declare the amount for which the defendant was liable, and the only immediate remedy intended to be given was against the mortgaged property."

The learned Judge then went on to say that it was impossible to construe the decree under their consideration in that way. In the *Madras Weekly Notes* case the award had apparently only two paragraphs, whereas there are three here, the third paragraph further suggesting that the plaintiff could not proceed against the defendants personally unless the saleproceeds were insufficient. Moreover, we are not here interpreting a decree of Court, in which certain words have often a precise technical meaning, but an award by a layman, the honorary arbitrator appointed by the Registrar of Co-operative Societies, to whose words the Court should attempt to give their plain meaning.

The appeal is therefore allowed and the execution petition dismissed; but in view of the many contentions raised by the judgment-debtor which are without substance, there will be no order as to costs.

Appeal allowed.

M.L.J.

Circular.

Sub:—Co-operative Stores—Training of employees—conduct of training classes—instructions issued.

In view of the rapid expansion of stores societies and the acute dearth of trained hands, the need for training candidates for the day-to-day management of stores societies is keenly felt. One of the reasons adduced by stores societies for the non-maintenance of up-to-date accounts is the dearth of trained men. The arrangements recently made by the Central Co-operative Institute for conducting peripatetic training classes in mufassal centres have not due to some reason or other solved the problem to the extent expected. The recent Business Conference of stores societies which examined this matter was of the opinion that it was necessary for at least some time to come, to make local arrangements for training prospective employees in stores societies.

2. The resolution of the conference on the subject is extracted below :—

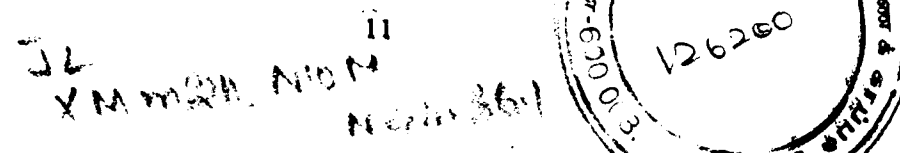
"It is desirable that District Co-operative Wholesale Stores should hold training classes extending from 2 to 3 weeks and give the candidates both theoretical and practical instruction on the lines of the training classes held at Madura, Mangalore and Rajahmundry. A simple practical syllabus may be framed for this purpose.

3. A system of training apprentices by the central stores is worth a trial and is commended to all District Co-operative Wholesale Stores. They can be of service to the trained apprentices by finding them employment in primary stores whenever vacancies arise. They may keep a list of apprentices available for appointment and may recommend candidates whenever primary stores approach them for this purpose".

4. Deputy Registrars are requested to arrange for the holding of training classes in consultation with the District Co-operative Wholesale Stores. The classes may last for 2—3 weeks. A syllabus that should be followed is appended. A draft time-table is also enclosed which may be modified to suit local conditions. The classes may be open to existing employees of stores societies and also prospective candidates. A nominal fee may be charged to cover the incidental expenses incurred by the Co-operative Wholesale Stores. Employees of prospective employees of rural stores who seek admission to the training classes should have passed at least III Form and be capable of intelligently following the instructions. Employees of urban stores should have ordinarily read up to the VI Form.

5. The services of Educational Senior Inspectors, Special Co-operative Sub-Registrars for the supervision of stores, Secretaries of District Co-operative Wholesale Stores and non-officials with the requisite educational qualification may be utilised in running these classes. Practical training should not at all be neglected; in fact it should receive greater attention. The training may be wound up with a written test and certificates of proficiency may be granted to the successful candidates by the District Co-operative Wholesale Stores, countersigned by the Deputy Registrar. As recommended by the Business Conference, District Co-operative Wholesale Stores would do well to maintain a list of successful candidates and recommend them for appointment whenever vacancies arise in the primary stores.

6. A brief report should be submitted to the Registrar as soon as the training class is over.



Syllabus for Short Course of Training in Account-keeping, Salesmanship, and Shop-keeping in Co-operative Stores.

Co-operative Stores. Rochdale pioneers—their plan of association their business principles—dividend on purchases—formation and development of wholesale societies—co-ordination with producers' societies—relation with affiliated societies—need for promoting the loyalty of the primaries to the wholesale.

The constitution of a primary co-operative store—its systems of sale, for cash, for credit to members and non-members—distribution of bonus on purchases.

Committee of management, purchases committee, price fixing committee.

Organisation. Location of stores, arrangements of articles in the sale section and stores—advertisement—business tact of the manager, salesmen and other employees.

Division into Departments. e.g., clothing, grocery—numbering articles—weighing articles and counting articles—disposal of old stock—shop-soiled goods and empties.

Role of co-operative stores in emergency schemes—G.O.s. on the subject—rotation of reserve stocks.

Book-keeping. Principles of double entry—method of maintenance of prime books, general ledger and subsidiary ledgers—internal check regarding purchases, sales and maintenance of accounts—final accounts—stock taking—preparation of trading and profit and loss account and balance sheet—principles of double compartmental system of holding stock—method of maintaining goods ledger—dispensing with the daily classification of sales—conditions under which licences are issued for dealing in food grains, sugar, kerosene, paper, etc.—periodical return to be submitted to the licensing authority—special accounts to be maintained in the prescribed forms—Branch or depot accounts—books to be kept in depots—incorporation—head office accounts.

Maintenance of Books for Stores Societies.

Minute book 2. Admission book 3. Day book 4. Purchase, Issue and stock register 5. Register of issues to salesmen 6. Sales chit book 7. General ledger 8. Receipt book 9. Inventory list of furniture, valuables, including empties. 10. Register of bonus on purchases by members 11. Voucher file 12. Salesman Indent Book 13. Suspense Register—due to and due by 14. Personal Register (for correspondence)

Additional Registers to be maintained where Credit Sales are allowed.

15. Members credit purchases register 16. Recovery list.

Additional Books to be maintained in case of wholesale store societies.

1. Register of condemned articles 2. Register of contingent and establishment charges 3. Register of deficit by wastage and dryage 4. Posting register of receipts and disbursements.

CIRCULAR

Salesmanship and shop-keeping—history and growth—transport—utility, demand, market—study and survey report—cost price of commodities—what the salesman should do, his conduct towards buyers.

5. Register of Trade advances 6. Suppliers personal register 7. Sales subsidiary day book 8. Dividend register 9. Postage account 10. Conversion register. 11. Costing register 12. Personal ledger for conversion and adjusting to their temperaments—angles of appeal steps of interview—positive and negative approach—complaints—how to meet—service before and after sale—salesman's duty and relation to office—divisions in selling—sale at Head Office—supply to branches and primary co-operative stores—sales through travellers, Mail orders.

Note:—Specimen forms of new Registers prescribed and old ones modified can be had from the printed pamphlet containing the proceedings of the Business Conference of select departmental officers held in March 1944.

APPENDIX II.

PROVISIONAL TIME-TABLE.

Forenoon.

Afternoon.

1st day Opening of classes. Explaining the plan of work and the ground to be covered.

The history of stores movement—Rochdale pioneers and their principles of business—History of stores in the Province—formation of District Co-operative Wholesale Stores.

2nd day Co-operative Societies Act and Rules—Important provisions relating to stores.

Constitution of primary co-operative stores—Organisation—Registration—Starting.

3rd day By-laws of primary stores—Subsidiary rules.

Working of primary stores—Finance—Trade—Budget—Meetings.

4th day Working of primary stores (continued)—Inspection—Supervision—Audit.

Practical training in a primary stores.

5th day Business of primary stores—Division into compartments (grocery, clothing, fuel, etc.) arrangements of articles according to those to be weighed, measured or counted.

Purchase policy—Seasonal bulk purchases from centres of production—Function of purchase committees—Fixation of selling prices, etc.

6th day Shop-keeping and showmanship principles, neatness and attractive display—Behaviour towards customers—Canvassing of business.

Principles governing selling policy—Sale to non-members—no distinction in controlled articles—Information—rationing in case of scarce commodities.

Forenoon.

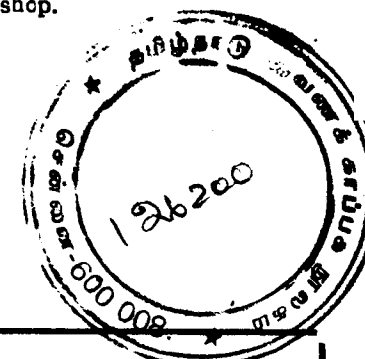
Afternoon.

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| <p>7th day Role of co-operative stores in Emergency schemes—Working of the mufassal towns food supply scheme (now wound up)—Precautions to be taken to cope with large crowds.</p> | <p>Practical training in a primary stores.</p> |
| <p>8th day Accounts—Books to be maintained by primary stores—Principles of double entry—Method of maintaining the several accounts.</p> | <p>Practical training in a primary stores.</p> |
| <p>9th day Principles of the double compartmental system—Special precautions to be taken—Its advantages.</p> | <p>Do. do.</p> |
| <p>10th day Postings of the general and subsidiary ledgers—Monthly statement of receipts and disbursement—Drawing of balances—Reconciliation between general ledger and subsidiary ledger balance—Drawing up of a final trading and profit and loss accounts.</p> | <p>Preparation of Annual Statement—Distribution of net profit—Working of dividend and bonus on purchases.</p> |
| <p>11th day Principles of depot or branch accounts—Method of incorporation—Books to be maintained by depots.</p> | <p>Practical training in a branch or depot of a primary stores.</p> |
| <p>12th day Control orders and conditions of licence—Special accounts and books to be maintained by stores under control orders—Return to be submitted to the authorities.</p> | <p>Do. do.</p> |
| <p>13th day Periodical—returns due to the Dy. Registrar, Co-operative Wholesale Stores and Central Bank—Importance of punctual submission of returns.</p> | <p>Convening of general meetings—notice, recording of resolutions, amendment to by-laws, etc.</p> |
| <p>14th day Borrowings of the stores—Restrictions—Procedure for the receipt and repayment of fixed deposits and trade deposits—Preparation of loan applications to the Central Bank.</p> | <p>Practical training in the District Co-operative Wholesale Stores.</p> |

Forenoon.

Afternoon.

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| <p>15th day Relation between the District Co-operative wholesale Stores and the primary stores—Importance of the loyalty of the primaries to the Co-operative Wholesale Stores—Co-ordination with producers societies.</p> | <p>Practical training in the District Co-operative Wholesale Stores.</p> |
| <p>16th day Rationing of food grains—Principles—Instructions to retail ration shops—Accounts to be maintained—Indents and returns to be furnished.</p> | <p>Practical training in a retail ration shop.</p> |
| <p>17th to 19th day—Intensive practical training and revision.</p> | |
| <p>20th day Examinations.</p> | |



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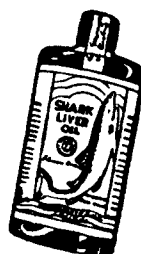


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