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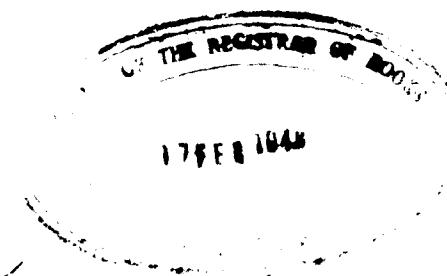
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OF THE REGISTRAR OF SOCIETIES
17 FEB 1948

THE Madras Journal of Co-operation

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

JANUARY 1948.

No. 7, VOL. XXXIX

PRICE 10 AS. NET

The Madras Provincial Co-operative Union Examination, 1948.

An examination for the students of the Tanjore, Coimbatore, Anantapur and Rajahmundry Institutes will be held at the respective Institutes' headquarters from 22nd to 31st March 1948 as per programme given below.

Monday	...	22-3-1948	10 a.m. to 1 p.m.	Co-operation—Historical, General and Principles.
Tuesday	...	23-3-1948	10 a.m. to 1 p.m.	Co-operative Law.
Wednesday	...	24-3-1948	10 a.m. to 1 p.m.	Audit.
Thursday	...	25-3-1948	10 a.m. to 1 p.m.	Book-keeping.
Tuesday	...	30-3-1948	10 a.m. to 1 p.m.	Banking.
Wednesday	...	31-3-1948	10 a.m. to 1 p.m.	Rural Economics, etc.

Candidates who failed to pass in the previous Provincial Co-operative Union Examinations held during 1942 to 1947 are hereby informed that they can also sit for the above examination.

Candidates who underwent training in the Institutes prior to 1941 have to appear and pass Part III of the examination under the new regulations for eligibility for a certificate.

In view of the subject 'Banking' having been included under Part III from the year 1945, candidates who have passed Part II in previous years need not appear for 'Banking' under Part III, this year. It will suffice if they sit for 'Rural Economics, Sanitation, Village Panchayats, etc.' only.

The examination comprises of III parts:—

- | | | |
|---|-----|-------------|
| 1 Co-operation—Historical, General and principles | ... | } Part I. |
| 2 Co-operation—Law | ... | |
| 3 Audit | ... | } Part II. |
| 4 Book-keeping | ... | |
| 5 Banking | ... | } Part III. |
| 6 Rural Economics, Sanitation, 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, Rs. 4 for each Part.

The last date for receiving examination fees is 5-3-1948.

For further particulars, please apply to the SECRETARY:

The Madras Provincial Co-operative Union, Esplanade, G. T., Madras.

The Editorial Committee do not hold themselves responsible for views expressed by contributors. Contributors are requested to write legibly and on one side of the paper. Manuscripts will not be returned unless stamps are sent to cover postage. Matter intended for the issue of any particular month should reach the Committee before the 15th of the previous month.

The Shape of Things.

Purposes of Borrowing:

As we promised in our last issue, we must revert again to Mr. Subba Rao's article which gives an authoritative exposition of the views of the Reserve Bank of India. We follow quite clearly what the implication is of the suggestion in regard to reduction in the rate of interest. But we wish Mr. Subba Rao to realise that unless the purposes for which loans are granted are distinctly demarcated, it would not be possible for a financing agency to adopt different rates of interest. If the purposes are to be the same, viz., seasonal agricultural operations or the marketing of crops, evidently the only two purposes for which under the Reserve Bank of India Act finance can be made available, the financing agencies must perforce employ other borrowings for purposes other than these two. Will the Reserve Bank of India then be prepared to afford all the necessary finance even to fulfil these two objects?

Medium of Finance:

Mr. Subba Rao says the Reserve Bank of India is prepared to finance the central banks direct if the Provincial Government declared any central co-operative society to be a provincial co-operative bank. Mr. Subba Rao ought to know, having been

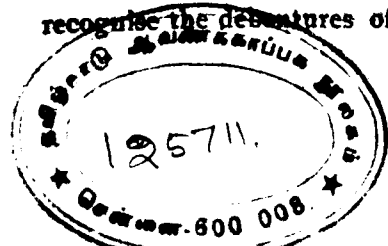
associated with the Movement for a long time, that it would not be in the interests of the provincial bank to allow a central bank to be treated on a par with it. He is practically expecting the impossible to be accomplished. Moreover, as long as the central banks have to depend on the provincial banks for loans for other purposes, it would not be in the interests of the central banks to seek the position occupied by the provincial banks. Even Mr. Subba Rao concedes that such a procedure would be disruptive of the present safe and sane arrangement.

Security for Advances:

Mr. Subba Rao deals at some length with suggestions made by co-operators regarding advances made against goods in the possession of societies as also on Government securities. If the provincial banks are already offering accommodation on the security of these, we do not see any reason why the Reserve Bank of India should have any objection. The arguments advanced are not convincing. If it is remembered that the assets of the co-operative movement are both tangible and intangible and it is because of this even when the money market is dull and other investments prove less attractive, the Movement, especially the provincial and central banks, attracts large amount of deposits. It is a matter of common knowledge that during the war, especially in 1942, every co-operative financing agencies had plethora of funds and but for the growth of the consumers' movement, the outlets would not have been enough for them.

Land Mortgage Debentures:

Mr. Subba Rao twits the co-operators for the plea put forward by them to accept the debentures of land mortgage banks as security for advances to make them more popular and increase their marketability even when the debentures are popular and taken up immediately on issue. The fact that debentures of any concern are popular and are taken up immediately on issue cannot be an argument not to accept them for purposes of advances *if and when they are offered*. The land mortgage bank movement has made rapid progress in spite of the attitude of the Reserve Bank of India and we assure Mr. Subba Rao it will continue to grow with or without the assistance of the Reserve Bank of India. On the other hand, the Reserve Bank of India should consider it a privilege to recognise the debentures of the land mortgage banks and thereby



contribute its mite for the development of rural credit. However, Mr. Subba Rao need not think that the Reserve Bank of India will be conferring a benefit by according recognition to their debentures. Even then Mr. Subba Rao has raised the question of guarantee given by the Government. Mr. Subba Rao avers that the unqualified acceptance of the debentures on the same footing as Government loans would be fatal to any hope of doing away with the guarantee system at any future time. On each occasion when debentures are floated, the Government guarantee is first obtained. Cannot at least debentures in respect of which the guarantee is obtained, be treated on a par with Government loans? The question of continuance of guarantee either as short-term or long-term policy is not of consequence. Once the guarantee is given in respect of any issue, it is assured so far as that issue is concerned. What further assurance is required, we are at a loss to understand.

Unhappy Metaphor:

Mr. Subba Rao compares the Reserve Bank of India to a mother not anxious to be indulgent to spoil the child but that of one anxious to bring up a sound and healthy offspring. We wish this metaphor was true at least in some respects. The fact of the matter is the Reserve Bank of India has been more a step-mother, not interested at all in the development of the co-operative child and if the child grows in spite of it, the Reserve Bank of India is more anxious to justify its attitude of indifference if not of positive dislike and try to defend its position by picking holes where they do not exist rather than recognising the good achieved and lend a helping hand to make the Movement more useful to the rural population. The whole view-point with which the Movement is observed by the Reserve Bank of India must radically change if the co-operators are to be assured that in the Reserve Bank of India they have a friend, philosopher and guide. At the same time we make bold to say that the Movement has grown, is growing and will grow whatever may be the attitude of the Reserve Bank of India as slowly and steadily co-operative economy as opposed to capitalist economy is not only finding recognition but also the active support of the community.

De-control and Co-operation:

What the effect of de-control would be on the co-operative movement has been the anxious thought and consideration of the co-operators. The consumers' societies and the marketing societies

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have to their credit a record of work of which any organisation can be justly proud. It is true that these organisations have taken full advantage of the controls and have built up large business. It is rightly feared that the progress of these co-operatives will be greatly jeopardised by the new policy of de-control and letting loose forces of free competition or *laissez faire* in the shape of internal trade. Both the community and the Government recognise unstintingly the services rendered by the movement during the period of economic stress created by the War. Should such useful institutions be allowed to go to rack and ruin and the community be deprived of their services? The increasing recognition of the benefits of Co-operation is an asset of great value and it should not only be preserved but even enhanced. Co-operation has come to be associated with truth, justice and fairplay. Therefore, it should be the endeavour of all concerned to protect the Movement from any harm which the new policy may inflict on it. How such protection should be afforded must be a matter of concern to co-operators and more so to the Government. Even when the controls were in existence, these co-operatives, especially the consumers' organisations, were warned of the consequences of de-control and efforts have been made to strengthen them to meet the coming onslaught. While many co-operatives have taken due note of the warning and have prepared themselves to meet all possible contingencies, there are still some who lag behind. Efforts should be made to see if these can be sustained. We feel the future of the Movement on account of de-control bristles with many difficulties and it is up to the co-operators to face them. The Government also should not hesitate to offer every possible assistance to the co-operatives for enabling them to face the effects of de-control and continue to play their part in times of peace as well as they did when war was on. We must regretfully state that this matter is not receiving the attention that it demands.

Teachers and Co-operation :

In this issue we have published a very valuable speech of Sri Rao Sahib Palaniappa Mudaliar delivered at Cuddalore dealing with the role of teachers in the co-operative movement. Need we say we heartily endorse his sentiments. Of all the movements promoted for the benefit of the community, co-operation, on account of its objectives and set-up, is eminently the best and in what better way can the teachers serve the community than taking active part in its promotion. By training, equipment and position they hold in

The Hyderabad Co-operative Commercial Corporation, Limited, and promotion of Co-operation

CONTRIBUTION FOR THE ECONOMIC WELFARE OF THE PEOPLE

BY M. S. HANUMANTHA RAO, F.R. ECON. S., F.R.S.A.

The conversion of the Hyderabad Co-operative Commercial Corporation into a co-operative apex body has given rise to much speculation and wishful thinking among the vested interests in the Dominions. They spare no pains to proclaim to the world outside that the authorities of the Government are determined to wipe out the trading community from the Dominions by subjecting them to various statutory restrictions even in times of peace. This kind of mischievous propaganda served no useful purpose except resulting in landing the middlemen into a weak position. The sane-thinking sections of the population who have been watching with interest the co-operative tinge given to the food organisation are convinced that the vested interests, as usual everywhere, are not inclined to help the Government undertake ameliorative measures for the good of the teeming millions in the villages. The assurance given by His Excellency the Prime Minister in his broadcast speech that as soon as circumstances would permit, restrictions and controls would be progressively relaxed and removed and more and more opportunities thrown open to private enterprise, would, it is hoped, clear the misunderstanding and dispel the fears of the trading community.

India is predominantly an agricultural country, with 7 lakhs of villages, of which more than 21,000 are scattered throughout the Nizam's Dominions. While the total land under cultivation in India is about 209 million acres, the corresponding figure in Hyderabad is 2.6 crores of acres. In order to bring about rapid economic regeneration of the vast majority of people living in the rural areas, it has been agreed all the world over that development of co-operative institutions alone will relieve the agricultural countries of their present plight in foodstuffs and economic distress.

Co-operative Planning Committee.

The Government of India had appointed a Co-operative Planning Committee during January 1945 to make suitable recommendations for the promotion of co-operation in the country on modern methods.

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The report of the Committee was since published and it envisages the possibility of reorganising the co-operative credit societies already existing. In the opinion of the Committee, these societies should serve as centres for the general improvement of their members and should have their aims to :—

- (1) advance sufficient funds for crop raising ;
- (2) work as agents to sell the produce to the nearest Co-operative Marketing Organisation ;
- (3) supply the simple needs of the cultivator such as seeds, fertilizers, agricultural implements and fodder ;
- (4) distribute goods like cloth, matches, kerosene, salt, etc. ;
- (5) form a centre for keeping agricultural implements and machinery for joint use ; and,
- (6) establish subsidiary occupations to provide suitable employment to the villagers who are generally without employment for about 8 to 9 months in a year.

H. C. C. C. Ltd., and Co-operation.

It will be obvious from a dispassionate study of the working of the Hyderabad Co-operative Commercial Corporation, Ltd., that the authorities concerned carefully considered the various reports pertaining to the promotion of co-operative movement in food supplies on non-credit basis and evolved the best suited system to the existing conditions obtained in Hyderabad. The very idea of giving a co-operative turn to the food administration is a novel one which is not practised elsewhere in the country. Fortunately the whole scheme was well arranged from the commencement of the Corporation and experience of its working for the last 4 years proved, beyond doubt, that it is a marvellous success and an achievement for which Hyderabad should feel proud of.

The establishment of village co-operative grain banks on the willing participation of not less than 75 per cent cultivators of every village affiliated to the Taluq co-operative development unions which are connected with the Hyderabad Co-operative Commercial Corporation, Ltd.,—the apex co-operative institution in the Dominions—goes far enough to meet the requirements suggested in the recommendations of the Planning Committee. Already about 13,500 village grain banks were formed and very soon everyone of the 21,000 villages in the Dominions would have such a useful body. The Taluq development unions are existing in every taluqa and

THE HYDERABAD CO-OPERATIVE COMMERCIAL CORPORATION LTD. AND PROMOTION OF CO-OPERATION

they are managed by the Taluqa Corporation Officer appointed by the Hyderabad Co-operative Commercial Corporation, Ltd.

Utility of these Banks and Unions.

The formation of these co-operative unions and grain banks working in close liaison with the Hyderabad Co-operative Commercial Corporation, Ltd., which is the apex institution, completes the pyramidal federal structure of the non-credit co-operative organisation promising encouraging results in future. Although the activities of the Hyderabad Co-operative Commercial Corporation, Ltd., and the unions are confined for the present to supplies of food, it is envisaged that they will undertake the task of supplying manures, fertilisers, improved seeds, agricultural implements and also afford warehouse facilities for marketing agricultural produce which is of transcendental importance for the economic stability of the rural population, soon after the existing food crisis is overcome. Perhaps the Hyderabad Co-operative Commercial Corporation, Ltd., corresponds to the Agricultural Credit Corporation the establishment of which was recommended by Gadgil Committee, in matters of food supply to the people. The unions now in existence acquitted themselves very well indeed and had done creditable work. They not only rendered valuable assistance to the Hyderabad Co-operative Commercial Corporation, Ltd., in procuring large quantities of foodgrains but also in starting sales depots in the villages and arranging distribution of foodgrains on co-operative lines. Their business ran into several crores of rupees and the benefits accrued were equally shared by the members.

These unions acquired popularity by arranging quick payment for foodgrains delivered at the local units godowns and also as agents of the Hyderabad Co-operative Commercial Corporation, Ltd., making open market purchases of grains.

Contribution of H. C. C. C. Ltd., for Economic Welfare.

This system has already given fruitful results. The Hyderabad Co-operative Commercial Corporation, Ltd., contributed for the economic welfare of the rural masses and its activities in the Dominions gave enlightenment to them. Formerly the ryot used to suffer many hardships in the process of disposing his produce. He was mercilessly exploited by both the creditor and middlemen. With the advent of the Hyderabad Commercial Corporation, Ltd., the need for approaching them disappeared and the producer is now confident

of securing a reasonable and fixed price for his produce which he was not getting before from the middleman. This scheme is designed to work on co-operative lines and there is opportunity for everyone, be he a middleman or a cultivator, to participate in it and take utmost advantage of collective responsibility for the good of all.

There is acute food shortage in the country. Imports from abroad are likely to be curtailed and the need for becoming self-sufficient in food is great. The policy of progressive decontrol adopted by the Government of India and Provinces causes considerable alarm for the administrators who are responsible for feeding their subjects. In view of the difficulties facing the food front, it has been wisely decided by the Government of Hyderabad to continue the controls until a reserve of a quarter million tons of foodgrains is built up. It is, therefore, incumbent on all people in the Dominions to co-operate with the Government and make available all surplus grain to the authorities.

Hyderabad is on the onward march of economic advancement. Ambitious programme of industrial and agricultural development has been drawn costing about 365 crores of rupees. The future is full of promise and the time is not far off when we see everyone in the State gets his or her legitimate share in the economic prosperity and remains free from want for ever. That co-operation alone is best suited to raise the standard of living among the rural population is realised by the modern administrators and every possible effort is being made to give increasing facilities for the promotion of co operation in the Dominions through the Hyderabad Co-operative Commercial Corporation, Ltd.

Sweden, Denmark, Japan, Italy and Germany are splendid examples where co-operation played a worthy role in uplifting the people. The Hyderabad Co-operative Commercial Corporation, Ltd., being the only non-credit co-operative institution in the country, working on no profit basis for the benefit of the people, is expected to fill the existing void in ministering to the needs of the agricultural population in the Dominions and become a useful limb of the future economic programme.

Co-operation and Teachers*

SILVER JUBILEE CELEBRATIONS

(Speech delivered by Sri Rao Sahib A. Palaniappa Mudaliar, M. A.,
Dy. Commissioner of Prohibition (Amelioration), and Joint
Registrar of Co-operative Societies, Madras.

It is indeed a very great pleasure for me to participate in the Silver Jubilee celebrations of the Cuddalore Secondary Schoolmasters' Co-operative Credit Society. I recall, with particular pride, that I am an old student of the St. Joseph's High School as also the Cuddalore Municipal High School, several of whose teachers are members of this Co-operative Society and this gives me special pleasure in associating myself with today's functions. I sincerely thank Mr. D. Thirumalachariar and the office-bearers of the Cuddalore Secondary Schoolmasters' Co-operative Credit Society for having kindly invited me to preside over to-day's celebrations and for having given me an opportunity of renewing my acquaintance with some of my old friends and masters to whom I owe a deep debt of gratitude.

2. Gentlemen, I have had the pleasure of going through some statistical particulars relating to the progress of your co-operative society since 1922. No one who has perused this record will fail to be struck with the uniformly steady pace of progress that has characterised this society during the last two decades and a half. Indeed, it cannot be otherwise in a society of this type consisting of educated persons as its members and with successive boards of able and enthusiastic directors, which it has been the good fortune of this society to secure from the very start. Inaugurated in December 1922 with 38 members and a share capital of less than Rs. 300 your society has today on its rolls 84 members with a paid up share capital of over Rs. 4,000. Considering the fact that the number of persons who are eligible to become members of your society at a given time is limited to the schoolmasters in this town, which is about 100 as you have said in the report, the increase in membership and share capital is really commendable. Another noteworthy feature in the working of your society is, as I observe, that you have not taken recourse to borrowings from the Central Co-operative Bank and that you have been carrying on with local deposits. This is no small achievement and many a co-operative society of this kind may well envy your financial position. Incidentally, it is also a striking testimony to the sound management of this institution and to the confidence it commands among the investing public. Thirdly, I would refer to another praiseworthy feature in the working of this society, viz., that ever since its inception in 1922 it has

* Cuddalore Secondary Schoolmasters' Co-operative Society, Ltd.

always worked at a profit. Most co-operative societies have a chequered career sustaining losses during periods of stress and strain and recouping them during favourable seasons. Fortunately, your society has never so far sustained a loss in any year and I consider that this is mainly due to the sound management and the sense of keeping one's obligations to the society at all times on the part of the members. I congratulate you on this unique achievement. Lastly, it is pleasing to note that you have not lost sight of the thrift side in the society's working as is evident by the fact that you have been able to get the bulk of the funds required by way of deposits from members and that the provident fund deposits of the society is a special feature which attracts even non-members to make deposits at times. However, I cannot but refer to the small amount of overdues in the society, which amounts to about 15% of the loans outstanding against the members. Inflationary tendencies and the high cost of living have hit hard the middle classes whose income is fixed and perhaps the worst sufferers in this respect are the School teachers whose lot even in normal times has not altogether been enviable. These factors have apparently been responsible more than anything else for the overdues in your society and I hope that with the return of normal times the society will be free from even the small overdues it has at present.

3. I should like to take this opportunity of telling to you something about the working of Employees' Co-operative Credit Societies in general in the Province. As you are aware, the employees' societies are special types of credit societies for the benefit of the employees in public service, local fund administration, colleges and schools, firms and companies, etc. They have been organised for the purpose of thrift, savings and financial accommodation. They advance loans to their members at moderate rates of interest and the limit of individual loans is usually fixed at a certain multiple of the monthly salaries of the members. They encourage habit of thrift among their members by adopting the system of compulsory deposits. Some of them spend a portion of their profits for the welfare of their staff. In most cases, the employees are required under the bylaws to contribute to a thrift or recurring deposit, which is only refundable, when the members sever their connections with the society. It is also usual for the employees to authorise the employers to deduct the salaries of the members in instalments due to the society and to pay the amount to the society. This practice generally accounts for the comparatively lower percentage of arrears of overdues in this type of societies. At the end of the co-operative year 1946-47, there were 555 employees co-operative credit societies in this province, for Government servants, employees of local boards and municipalities, teachers, employees of industrial and commercial firms, etc. The success of these societies has been due to the members being better educated and better able therefore to supply efficient managerial staff and also to the facility of the recovery of their dues in

instalments from the monthly salary of the members. A regrettable feature in the working of these societies, however, is the almost universal tendency among the members to borrow up to the maximum limits and remain continuously indebted to the societies. It should not therefore be forgotten that societies for salaried classes are intended more as instruments for the promotion of thrift and for the provision of savings than as agencies of the supply of cheap or easy credit. It should be the primary duty of members to put in monthly subscriptions which may be effected through compulsory deduction from their salaries and also through the distribution of hundi boxes and home-saves to the families of the employees. These societies may also promote subsidiary occupations and cottage industries among the families of their members, by distributing raw materials, etc. Another useful form of co-operative effort which can be advantageously taken up by employees of co-operative societies is the system of joint purchase of members for common domestic requirements by collecting indents from them. Some societies are successfully doing this and there is no reason why all employees' societies should not adopt this. I hope that your society will take a lead in this matter and be a model to the others.

4. It will not be inappropriate on an occasion like this, if I should digress and say a few words about the teachers in general, *vis-a-vis*, co-operative movement in the province. Generally there are three types of co-operative activity in which teachers can take an intimate part. The first is the rural credit society working in the villages. It is here that schoolmasters play a very useful role in the management of societies particularly in account-keeping. If one realises the fact that the number of literate persons in each village and hamlet can be literally counted on one's finger tips, the magnitude of the services rendered by the teachers as a class to the rural co-operative will be evident. This is an unostentatious role which may not earn for them public praise or fame; but believe me it is nonetheless an indispensable role in our rural economy. The second type of co-operative society where teachers play a predominant role is the students' stationery co-operative stores. To-day, almost all high school and colleges have their own stationery stores which supply text-books, exercise notes, articles of stationery, etc. Some have also undertaken distribution of cloth. You are aware that practice is any day better than mere preaching. Any amount of lessons in the class room on the advantages of co-operation is not likely to impress the students so much as the actual working of a co-operative institution in their midst which can bring home to the student in a practical manner the advantages of the co-operative way of life. I, therefore, consider that the activities of schoolmasters connected with the management of students, co-operative stationery stores are their most outstanding contribution to the cause of co-operation. Today, we have about 270 students' co-operative stationery stores with a membership of 5,218 teachers and 22,747 students. Their

sales turn-over during the last co-operative year amounted to Rs. 11.79 lakhs. It is true that the working of these stores received a setback during the years of the war on account of the scarcity of paper, etc. Now that conditions are gradually returning to normal, I hope that these institutions will once more revive their beneficent activities. The third field of activity in which schoolmasters as a class have participated in the consumers' co-operative movement, which, as you are aware, has made tremendous progress during the last seven years particularly in our countryside. Running a co-operative credit society is a simple affair; but a co-operative stores on the other hand requires a greater degree of skill, more time and involves larger volume of work. It is very difficult to find among our rural folk such educated persons with the requisite skill and amount of leisure. If it is here schoolmasters play a very useful role for which the public is greatly indebted to them. If today we have 822 rural co-operative stores in our province with a membership of 1.62 lakhs and annual sales turn-over of about 4 crores of rupees, not a little of this achievement is due to the self-sacrifice and spirit of patriotism shown by schoolmasters as a class in having come forward to shoulder the responsibilities of running the rural co-operative stores.

5. I have so far indicated in general terms the connection of schoolmasters with the practical working of the different types of co-operative institutions. I now come to your primary role, viz., the part you can play in spreading co-operation in the land. India is essentially a rural country. The illiteracy of the villages coupled with their poverty and very low standard of living is a problem of the first magnitude for any planning for a new India. The vast rural population of the country cannot be allowed to mark time when new eras of peace, progress and prosperity are being envisaged for all peoples and nations. To stir and awaken them to a new consciousness of their rights and duties as citizens of a new and free India, a vigorous and speedy programme of educating them is an urgent need.

It may not be out of place to refer in this connection to the introduction of one of the social reforms and far-reaching importance, namely Prohibition. It is human experience in which is concerned the welfare of the masses. The introduction of Prohibition is not for its own sake but to promote the well-being of the people. Any programme intended for the rural uplift of the masses has necessarily to include the eradication of the drink evil which is responsible for the unhappiness in any comes, especially among the poorer classes of the people. The Madras Government have, therefore, taken up the responsibility of implementing this scheme of prohibition as one of the foremost schemes for the amelioration of the people.

India has gained political independence. To attain freedom from wants and to raise the standard of living of the masses, which is the next main objective, prohibition is an essential step. Mahatma Gandhi had stressed that the future of India lay in the regeneration of villages and prohibition is but a first step in achieving national prosperity. Any programme of rural reconstruction must have two main objectives. In the first place we must educate the rural people for a fuller life. Education should increase knowledge, develop efficiency and refine feeling. Schools should work for scholarship and independent thought, for practical sense and skill and for generosity and kindness of feeling. In the second place, the standard of living must be raised. This is attempted in two ways; first, the adult population has got to be taught better sanitation, rules of health, co-operation, better ways of social behaviour, better personal habits, closer understanding of the political, social and economical environment, healthier and cheaper forms of entertainment and recreation. Their prejudices and customs have got to be reformed and they have to be awakened to a new sense of values in which health, happiness and prosperity require supreme. Secondly, their economic lot must be improved. Agriculture is their mainstay and the methods and means of their avocation must be improved so as to increase the yield considerably. Subsidiary arts and cottage industries should also be improved to yield more substantial and striking results. There is no organisation better fitted or more suitable to undertake the twin functions of village improvement and agricultural development than Co-operation. The application of the co-operative principle is not confined to the problems of rural economy alone. It can be employed by all classes of people, rural and urban, who want to better their economic condition by voluntary association and mutual aid.

As observed by the Hon. Dr. Rajendra Prasad, "Co-operation is a live movement rich in promise." It is essentially a system based on self help and mutual help. It will provide the best solution for many of our problems. It is primarily a poor man's organisation. It fits in with an economy in which the small cultivator is the central figure. As an individual, the cultivator is weak and cannot hope to stand up against the gigantic forces that lead to his exploitation. Through Co-operation, he acquires strength. At the same time, the co-operative method affords sufficient freedom to the individual, unlike extreme forces of planned State control in which the individual is perhaps better housed and better fed and clothed, but is drilled into a uniformity that cannot but ultimately stunt his stature as a human being. There is an element of democratic freedom inherent in co-operation and this freedom has to be prized above all things. The freedom of the individual, however, has to be used for the benefit of the community of which he is a part and it is this healthy compromise between discipline and freedom that is embodied in the co-operative method. "All

for each and each for all". One cannot think of more wholesome philosophy for a country of self-reliant cultivators living in community much enough for one person to know another and willing to pool their resources and create social and economic unity and strength.

The role which 'Co-operation' can therefore play in regenerating the rural economy of our country can hardly be exaggerated. If, however, this gospel of Co-operation is to be preached in all the villages and hamlets of our wide country, who else is better fitted to undertake this noble task than the teachers? Gentlemen, yours is truly the noblest of professions; for to you is entrusted the sacred task of moulding the character and conduct of the citizens of to-morrow. Now that we have attained political independence, you have a greater task in shaping the destinies in the new set-up of a Free India. Considering the importance which is attached to co-operation as a means of building up of national well-being, I consider that the greatest service that teachers can render to the country to-day is to inculcate the wholesome principles of co-operation in the minds of the young who are committed to your charge. Besides lessons in Co-operation, pupils may be shown practically how to run a co-operative society by enlisting their services in running students' stationery stores, school co-operative canteens, etc. Sound principles imparted to the youth in the formative period of life will have a lasting benefit and herein lies your golden opportunity to turn out every student who passes through your hands to be a successful co-operator in his future life. The old saying 'As is the teacher so is the pupil' is as true to-day as it was in the past.

6. To-day Co-operation has but touched the fringe of the economic life of our Province. In the words of the All-India Co-operative Planning Committee "the inadequate and uneven progress made by the co-operative movement is largely due, among other things, to the lack of general education among those whom it seeks to serve." But mass diffusion of general education is not enough. It is not necessary for the continued success of the movement to infuse the ideals of co-operation into the minds of young boys and girls and to lay before them the outlines of the work done by the co-operative movement. For this purpose, lessons on co-operation should be included in the series of readers in the regional languages and the text books for primary and secondary schools should provide simple lessons on co-operation. These lessons will be quickly learnt and long remembered if they are supplemented by a working knowledge of the principles of co-operation by organising small co-operative stores and canteens in every school. In order that the benefit of co-operative training in the earlier stages may not be lost, it is desirable that similar stores and canteens should be attached to colleges and universities also. What, however, is most important is that the principle of 'Each for all and all for each' should be taught from the earliest stages of child's education.

Constant opportunities should be provided to students to work together in groups. Every school should have a garden and a small farm which should be run by students. They obviously provide opportunities of working in groups. Even training in handicrafts can be so organised as not only to impart "education by doing", but also to teach teamwork by allotting different tasks to different individuals so that the labour of each may produce a single article. Games and sports should be encouraged on a very large scale so as to develop the spirit of team work among the boys and girls and they will be the future co-operators and rural workers.

7. Any mass movement in the province, social or economic, requires for its success a good deal of propaganda and a band of enthusiastic workers and the co-operative movement is no exception. Having regard to the bearing of co-operation on nation building and the great part it is bound to play in schemes of agricultural advancement and intensive rural development, it is up to every one of us to assist in the expansion of the co-operative movement in all directions, to strengthen it and be benefitted by it. For the co-operative movement to play a greater and nobler role in the plans for economic development of the province, we need a band of workers not only honest, selfless and public spirited but paid workers as well. Here is the vast field in which teachers can play their part by associating themselves with the co-operative movement which is aimed to bring about the economic regeneration of villages and rural prosperity on principles of self-help, mutual help, thrift, etc. To-day the crying need in the co-operative field is the demand for workers—more—workers imbued with a spirit of co-operation and actuated with an untiring and missionary zeal in all their dealings. Gentlemen, here is a fruitful field where you can devote yourself to the public good. Your association with the co-operative movement will be valuable; you move with the people; you keep in constant touch with them; you can, therefore, make a good use of your public contacts and professional associations by coming forward in larger numbers as voluntary workers in the field of co-operation. There are a number of ways in which you can render service to the co-operative movement besides moulding the character and conduct of boys and girls along co-operative principles in the class room. To-day the co-operative movement needs a vast army of propagandists. Who is a better propagandist than the schoolmaster? Who is better fitted to educate the public in the co-operative way? To-day we require a number of honorary workers to man the co-operative societies in the villages. To-day many of the rural co-operative societies are languishing for want of manpower. Who is more fitted for this task than the schoolmasters in the countryside? I can go on multiplying instances but it is quite obvious that the scope for teachers to render service to the community is immense and service to your men is service to God.

8. Gentlemen, I would therefore appeal to you assembled here, who are the members of a successful co-operative society and who have experienced practical advantages of co-operation through your society, to set an example to your fellow workers by taking upon yourself the noble role of the teachers of co-operation both on the theoretical and practical side. Your idea should be not only to be good teachers but good co-operators. I know that you are a hard-worked class of people and that your time is very valuable. Still I hope you will find a little spare time to devote to the cause of co-operation and induce your brother teachers to do so. Will it be too much to expect that every teacher will be a co-operator and that each in his own humble way will contribute for the happiness and well-being of his brethren? Knowing the schoolmasters of Cuddalore as I do, I am sure, that the record of work of the teachers in the co-operative field will be a right chapter in the history of the co-operative movement in the district, nay, in the Province.

9. Finally, let me once again congratulate Mr. D. Thirumalachariar and the members of the Board of Directors—past and present—on the steady and successful working of your society and on its completion of its 25 years of its existence. I sincerely wish that the society will continue to maintain its steady record of progress and be of increasing help to the members in the future years to come.

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Conference.

**THE MADRAS PROVINCIAL NON-OFFICIAL CO-OPERATIVE
EMPLOYEES' ASSOCIATION.**

RESOLUTIONS.

1. This conference expresses its deep satisfaction at the installation of a National Government and the elimination of foreign domination. It pledges unstinted loyalty to the Government in all measures of National planning and reconstruction, in consonance with the principles of co-operation.

2. This conference notes that the co-operative movement is showing signs of decay in the credit phase; is fraught with a sense of insecurity for the future in the non-credit phase; and of profiteering tendency in the weavers' societies providing soft berths for departmental officers to occupy key position in the weavers' societies. The departmental control thwarting all popular initiative, and virtually banning co-operative propaganda, has brought anti-co-operative trends inside the movement which have robbed it of its popular character.

The serious neglect to implement the just demands of the employees for fair wage and stable conditions of service has virtually driven away many experienced employees from the movement, and left others as remained in service in a mood of frustration and despair. The departmental policy of draining away the funds of the movement for the upkeep of the department has hampered co-operative progress.

The dumping of departmental men on co-operative institution goes on unchecked official denials notwithstanding. Under these conditions, this conference requests the popular Government with a view to enable the movement to play its rightful part in a programme of national reconstruction to:—

(a) Divest the department of all its functions except registration, and revise the act accordingly entrusting the functions other than registration to a Provincial Co-operative Council, elected on democratic basis by all members of co-operative societies.

(b) Stop further drain of co-operative funds, so far done, for the upkeep of the department.

(c) Grant the Provincial Co-operative Council subsidies, not lower than the amount now spent for the upkeep of the department.

(d) Enable the reserve funds of all co-operatives for being utilised to develop the movement and for ensuring a living wage for all employees in the movement.

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(e) By granting subsidies, the Government must ensure that the wage scales of employees are fixed with reference to their cost of living. The anomaly by which the salaries of employees are made to depend on the profit-earning capacity of particular co-operative enterprises, must be removed.

(f) Co-operatives to be exempt from all taxation. Services rendered to co-operatives by Government departments like Registration, etc., should be free.

(g) Launch a campaign for a large scale expansion of co-operatives on the lines voiced forth by the pronouncements and resolutions of the non-official co-operative employees.

3. This conference is of the emphatic view that the application of the recommendations of the Central Pay Commission is an urgent necessity, as its non-application is a serious reproach to the co-operative movement. It calls upon the co-operators as are managing co-operative institutions to implement them very early. To enable payment of a living wage to every category of non-official co-operative employees, this conference urges that the Government should grant liberal subsidies to all societies, where they are not in a position to implement the recommendations on account of their meagre income and have not piled up profits in the name of reserve and other funds.

4. The audit now carried on in the name of the department largely done by the non-official co-operative employees. Frequent inspections of co-operative societies, by non-official employees are in reality duplication of audit work. The so-called audit by the department is perfunctory, formal and from 1940, has become very nominal. In view of this state of affairs, this conference urges that the function of audit should be entrusted to non-official agencies and guided and controlled by the Provincial Co-operative Council alluded to in the sub-head (a) of Resolution No. 2. The services of the employees engaged in audit should be provincialised and kept under the control and direction of the Provincial Co-operative Council. The levy of audit fee by the department should cease forthwith.

5. This conference is finding that some non-officials at the helm of affairs of co-operative institutions are putting down with a heavy hand all manifestations of unrest born of low salaries and a rising cost of living, while the employers are paying a deaf ear to incessant appeals for fair wages. In a grave situation like the present, there are bound to occur acute manifestations of discontent on the part of employees. This conference urges that an organisation of the employees on trade union lines, and agitation for immediate redress of grievances in every district and locality is an urgent necessity, which brooks no delay.

CONFERENCE

It condemns all draconic measures taken to put down association of employees for common objective in no uncertain terms. It has further to state that such anti-employee, anti-humane, and anti-association measures to be thoroughly unworthy of any co-operator.

This conference requests the authorities of the All-India Co-operative Institutes Association and the Provincial Co-operative Union, to censure such anti-co-operative practices on the part of "Co-operators".

6. There is an acute housing shortage in the Province. The employees are subjected to grave hardships on this score. Many employees, when transferred to another place, are forced to leave their families, as accommodation is not easily available. Employees are not infrequently subjected to the rapacious demands of landlords for higher rent. This conference therefore demands that the co-operative institutions should construct houses for providing habitations for their employees, out of reserve fund and in the meanwhile suitable house rent allowance be given.

7. This conference is finding the policy of dumping departmental men on co-operative institutions going on at a rapid pace. Special lines like weavers' societies, stores are treated as a special preserve for this process of foisting departmental men. In the large majority of cases the installation of departmental men is ushering in an era of inefficiency, fall in business and in some cases slowly working for the benefit of interests hostile to co-operative societies.

This conference voices forth its strong protest at this continuous policy to officialise the movement.

It requests the popular Ministry to effectively intervene and save the movement from officialisation and consequent decay. It requests that the departmental officers on deputation should be withdrawn forthwith. It strongly protests against the acquiescence of the non-official co-operators of this process of converting the movement into a limb of the beauracy.

It protests against the territorial scheme of supervision as an attempt to instal official dictation to the detriment of co-operative bureaucracy.

It is emphatically of the view that the recommendation No. 110 para. 224 of the Rayalaseema Co-operative Enquiry Committee report, suggesting departmental supervision, to the exclusion of supervision by non-official co-operative employees, is highly retrograde and reactionary, and urges that the popular ministry should reject this recommendation outright.

The recent appointment of Deputy Registrars as Regional Marketing Officers at prohibitive cost for the Provincial Handloom Weavers' Society

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is a great drain of the co-operative funds. The employees of the Provincial Handloom Weavers' Society are paid miserably low wages and are made to work for long hours. This conference demands the withdrawal of these officers and payment of Pay Commission rates of salaries to all employees and appoint as marketing officers, non-official co-operative employees by promotion.

8. This conference reiterates its demand for the installation of joint boards, voiced forth in resolution 5 of second Provincial Conference and in resolution No. 30 of the fourth conference and requests that the popular ministry to set up such boards in each district and province at an early date.

9. This conference is finding that the forms and returns to be furnished by the co-operative societies are largely redundant, unnecessary and not germane to co-operative business *per se*. These returns and forms are in many cases archaic and antiquated. The work involved is hampering the development work to be attended to by the employees. Similarly the inspection report of central banks contains so many unnecessary queries, which are used for ends other than to further the growth of the institution.

It is high time these returns are curtailed, forms modified, and relieve the employees of the co-operative institutions for working to improve the business of the institutions concerned.

10. When the cost of living have gone up, the need to borrow from co-operative societies is increasing, thanks to the policy of the management in turning a deaf ear to the demands of the employees for adequate grades and allowances.

This conference therefore requests the Government to permit the non-official co-operative employees' co-operative societies to enhance the I. M. B. P. in these societies to 12 times the salary and to enable the societies to recover the loans in 60 monthly instalments.

11. In many of the Co-operative institutions there are many senior employees whose long service and experience is not utilised to the best advantage of the movement. In many cases they have reached their maximum and they are working without any increments, while their commitments and responsibilities have increased.

This conference therefore particularly requests the authorities of Central Banks and other institutions to lend the services of these employees to new societies, as administrative heads on promotion and thus prevent the wasting away of rich talent and experience available in non-official co-operative service and create a managerial non-official co-operative service. This conference further requests that in the case

CONFERENCE

of all employees as have reached their maximum, the grades should be enhanced, so that these experienced employees may continue to draw annual increments. This enhancement should be given retrospective effect.

12. This conference strongly protests against the departmental policy of looking upon the stores as temporary fixtures. This is having a disastrous effect on the employees working in stores. There is no permanent grade for employees. No places, with grades fixed and duties assigned, are created. This conference reminds the Government that if the stores are allowed to go, it would be the biggest blot on the fair name of the Congress with its promise to instal the co-operative commonwealth. It would lower our national prestige in inter-national co-operative circles.

This conference earnestly requests the popular Government to do all in their power to encourage the stores, place them on a sound and permanent footing, expand the consumers' movement by organising fresh stores and wide network of branches.

This conference further confirms the resolution on stores' employees passed by the central committee of the Provincial Non-official Co-operative Employees' Association at its Nellore meeting held on 17-8-47.

13. This conference finds that a large number of co-operative institutions employing paid employees do not have special provisions in their by-laws governing service conditions of employees.

This conference requests the Government to direct that all institutions as employ paid staff to incorporate special service conditions by-laws in their main by-laws.

In the by-laws governing service conditions special provision should be made to—

(i) grant gratuity at the rate of one month's salary per every year of service irrespective of the amount at credit of the E. P. F. and provide for payment of gratuity of Rs. 100 or the amount his service entitled him to, whichever is higher in the case of employees as die in harness;

(ii) provide for privilege leave of 1½ months and casual leave of 20 days in the case of stores' employees; and

(iii) provide for payment of at least one month's salary as bonus by every co-operative institution to its employees irrespective of their capacity to earn profits.

14. This conference resolves to appoint a committee, consisting of the President, Vice-President of the Provincial Non-official Co-operative

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Employees' Association and Sri S. Krishnaiah, member, Central Committee to offer opinion on the various recommendations of the Royalaseema Co-operative Enquiry Committee on or before 31-12-1947, and submit the report to the Government.

15. In so far as the Land Mortgage Bank employees are paid meagre salaries and allowances on the ostensible plea of no funds, this conference requests the Government to see

(i) that the cost of the Land Mortgage Bank Co-operative Sub-Registrars and Deputy Registrars are met from Government funds and not recovered from the C. L. M. B. ;

(ii) that the C. L. M. B. pays subsidies to primary land mortgage banks to enable them to pay adequate salaries to the employees.

16. This conference resolves to request the Government to amend G. O. No. Ms. 2825, Development, dated 2-7-1947, enabling the land mortgage banks as worked at a loss in the preceding year to pay special bonus to their employees.

17. The conditions imposed by the Government in their G. O. alluded to in the previous resolution, and governing rules regarding payment of one month's salary as bonus are stringent. The conditions laid down are such that in actual application far too few primary land mortgage bank will be entitled to pay bonus.

This conference requests the Government to remove the impracticable and onerous conditions laid down in the G. O. in question, to enable all primary land mortgage banks to pay bonus to their employees.

18. This conference finds that the salaries of employees in the L. M. Bs. are fixed on the basis of transactions of the land mortgage banks with which they are attached.

This is imposing artificial, and unnatural conditions for the payment of salaries of the employees.

This conference requests that all employees in land mortgage banks should be paid a just and living wage.

Any bank that has a deficit, in its budget, should have the full deficit recouped by subventions from the C. L. M. B.

19. This conference finds that land mortgage bank supervisors are denied in practice leave on the spacious plea that there is work to do and that there are no relievers.

This conference requests the C. L. M. B. to maintain a batch of reserve supervisors to relieve employees working in primary L. M. Banks as have to avail themselves of leave.

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20. This conference finds that the ameliorative work in connection with Prohibition is now done by supervisors and Bank Inspectors of Central Banks.

This conference resolves to request the Government to get the ameliorative work in connection with prohibition work done through central banks for which purpose the amount now spent on the ameliorative department should be completely made over to the Central Banks.

21. While the Royalaseema Co-operative Enquiry Committee recommendation to replace supervision of societies done by Central Banks by undiluted official supervision is still under discussion, the Department has introduced the thin end of the wedge in the whole province. The supervision of weavers' co-operative societies by the department and ousting Central Banks from their normal sphere of supervision in actual practice is already an accomplished fact.

This conference invites pointed attention of the popular ministry to this subtle design to officialise the movement. It requests the ministry to nip this in the bud and see that all designs intended to officialise the movement are definitely scorched.

22. This conference requests the Government to encourage and foster production societies with a view to develop and enlarge the producers' movement and link it up with the consumers' movement.

It further requests the Government to entrust the manufactures and distribution of agricultural implements, and distribution of iron and steel articles to co-operative institutions.

23. The conference condemns the atrocities committed by the Police of the Nizam in a most inhuman and barbarous manner against Sri P. V. Krishnamachari, Supervisor of Co-operative Societies, Munagala, while he was discharging his duties. This conference further requests the Government to protect co-operative employees against such acts of vandalism and see that the perpetrators of the bestialities are brought to trial and punished for such heinous crimes against a co-operative employee.

24. This conference requests the Government to permit employees of all co-operative institutions without any restrictions to appear for the examinations conducted by the Central Co-operative Institute, in all subjects so as to equip them for higher places in all co-operative institutions.

25. This conference calls upon every non-official co-operative employee to invest half month's pay towards life insurance and requests the employers to contribute half month's salary for the same purpose.

26. This conference appeals to all co-operative institutions to spend some decent portion of their common good fund for providing scholarships for high school and technical education of the children of non-official co-operative employees as are drawing a basic salary not exceeding Rs. 60.

27. This conference requests the association to start and conduct a journal for the benefit of the non-official co-operative employees.

Correspondence

An appeal for Co-operative Development.

With the inauguration of the policy of decontrol, some of the co-operative stores are issuing notices to their employees terminating their services. This is a step that does not add to the fair name of the consumers' movement that was inaugurated in our Province 45 years back by such great men as the late Rao Saheb T. K. Hanumantha Rao or Rt. Hon. Sasitriar.

To say that the co-operative stores cannot carry on their business when the policy of decontrol and abolition of rationing are followed by the Government, is to deny history of the last century. Consumers' co-operative movement is one pledged to service. They are not fair weather friends. Co-operative stores can mitigate the hardship of men of small means. It can protect them from the grabbing activities of black marketeers. So co-operative stores need not merely continue the business on the previous levels: nay, it can develop and extend its field of business, both vertically and horizontally to the chagrin of interests as are benefited by the policy of decontrol.

I would, therefore, appeal to all our co-operators and friends of the people to see—

- (1) that the stores do not close their branches or curtail their business;
- (2) that they strive to win the confidence of the people and build up co-operative loyalty and extend their business;
- (3) that they provide adequate salaries and allowances to their employees and enthruse them to expand their business; and
- (4) that they enlarge their membership by intense propaganda and education and make up for democratic management and control.

The Government is closing down its ration offices and throwing many young men into the jaws of unemployment. This is not surely a policy of planning for the happiness of our people, which they proclaimed as their aim on August 15th. By aiding and fostering the development of co-operative stores, the Government can avoid the experience of post-war unemployment that was seen after the close of the first World War. An extensive development of the consumers' stores, producers societies, and credit societies, not on the basis of departmental dictation, but on the basis of co-operative propaganda, education and democracy, will enable us to avoid the miseries and disasters that will attend on unregulated and unplanned economy, where hoarders and black marketeers rule the roost. The life of the rising generation of our young men need not be consigned to the miseries of unemployment; co-operative development will, to a large extent, provide jobs for the many that are thrown out as a result of the Government policy.

K. KRISHNA RAO,
President.

"Whither Weaver"

To-day the handloom weaver is facing a crisis, the like of which he has never known, not even in pre-war days when to rescue this ancient artisan, the then Madras Government instituted a Fact Finding Committee under the chairmanship of that famous Economist, Dr. Thomas. If only the recommendations of that Committee had been implemented the present impasse would not have come about.

The outbreak of World War II gave a great fillip to all industries including the handloom. But, strictly speaking, even during the boom period the actual weaver made no surplus since the yarn rationed out to him was sufficient for only ten days work in the month and despite the exorbitant wages charged by him he was hardly having two square meals a day.

But in recent times the demand for handloom cloth has been falling: one of the prime reasons for this slump being the impression created by Government Communiques, (both Central and Provincial) that a lot of cheap mill cloth would be released into the market at no distant date. The Madras Government, who are avowedly supporters of cottage industries and are therefore morally bound to ensure a living wage for 8 million souls depending on this industry, have from time to time adopted such belated control measures that were either a handicap to the industry or failed to secure the objective in view. For example, when they introduced the Handloom Cloth Price Control Order 1946, they did not fix the wages and unscrupulous middlemen were not slow in taking advantage of this loophole. Prices shot up to even greater heights and the control became a mockery. But when the Government wanted to correct this and enforce a wage limit, the master-weavers, self-styled as leaders of weavers' organisations, raised such a cry that the Government in sheer disgust abandoned wage control.

To-day, with the repeal of control on handloom cloth, the prices have come down to such depths that the weaver is practically offering his ware at the cost of the raw material itself. But strangely enough the weaver is still fettered by numerous unnecessary restrictions which ought to go when once the Government have come to the conclusion that free trade in handloom cloth is to be restored. I, therefore, appeal to the Madras Government to forthwith remove all restrictions on the export of handloom goods and also abolish the prevailing distribution system of yarn which has resulted in a number of bogus cards as admitted by the authorities.

The future of the weaver is gloomy. The only solution for his problems is to bring him under the co-operative fold, so that he may get a fair wage and the consumer may buy his cloth at a reasonable price eliminating the rich middlemen who have been exploiting the present distressing conditions of the weaver. The Madras Government, who have till recently championed the weavers' co-operative societies, have suddenly left them in the lurch and have passed orders that no fresh societies should be organised. This is a blow to the existing societies and does not help the weaver at large, and sooner this state of affairs is remedied by the Government the better.

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

Government Orders.

Copy of G. O. Ms. No. Development dated 10th December 1947.

Sub:—Acts and Rules—Co-operative Societies Act, Rules—Rule XV (1-A)—Election disputes—Time-limit—Amendment.—Confirmed.

Ref:—G. O. Ms. No. 4940, Development, dated 20-10-1947.

From the Registrar of Co-operative Societies, Rc. No. 21698/47-B, dated 4-12-1947.

ORDER:—

In the notification published at page 218 of the Rules Supplement to Part I of the *Fort St. George Gazette*, dated the 4th November 1947, the Government of Madras published under sub-sections (1) and (2) of section 65 of the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932) a draft amendment to rule XV (1-A) of the rules issued under the Act. No objections or suggestions have been received by the Government. The amendment published is hereby confirmed. The appended notification will be published in the *Fort St. George Gazette*.

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 hereby makes the following amendment 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 the 1st August 1933, as subsequently amended, the same having been previously published, as required by sub-section (3) of the said section.

AMENDMENT.

In the said rules, after the proviso to sub-rule (1-A) of rule XV, the following proviso shall be added, namely:—

“Provided further that a dispute relating to the election of a member or an officer of the committee of a registered society shall be referred to the Registrar within two months from the date on which the election with reference to which the dispute arose, was held.”

Circular.

Rc. 82852/47-Z-II.

Dated 28th November 1947.

Sub:—Housing—Building materials—Cement—Distribution of—Issue of permits by Honorary Cement Controllers—Instructions issued.

Read:—(1) G.O. No. 3981 (P.W.D.), dated 22nd November 1947.
(2) G.O. No. 3980 (P.W.D.),

Government have decided to control the distribution of cement and have, in G.O. No. 3981, P.W.D., dated 22nd November 1947, issued amendments to the order relating to the sale of cement, published at page 725 of Part II of the *Fort St. George Gazette*, dated 10th September 1946. The two Government Orders cited above are republished with Public Works Department notification at pages 950 and 951 of Part II of the *Fort St. George Gazette*, dated 25th November 1947.

2. The amendments provide (i) that no person shall sell cement unless he has been authorised to do so by the Honorary Cement Controller;

(ii) that cement shall be sold only to persons who have obtained permits, and

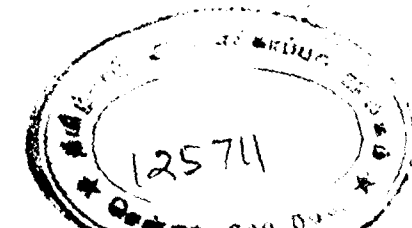
(iii) that no person shall buy cement unless he has obtained a permit from an Honorary Cement Controller. But a cement dealer may, subject to the sanction of the Honorary Cement Controller, sell cement to *bona-fide* buyers without permits up to a maximum of 5 bags (of 112 lb. each) to each buyer, provided that the quantity of cement he may so sell in any month does not exceed 25 per cent of the total quantity of cement received by the dealer in that month.

3. In correspondence ending with Government Endorsement No. P.W.D.-787/46-2, dated 26th October 1946, Government have advised the Cement Marketing Company of India to supply cement to co-operative house building societies on the recommendation of the Registrar. A specimen form of application for the supply of cement is enclosed. Individual members of building societies who require cement for the construction of houses should be advised to fill in the form and send it to the Deputy Registrar concerned through their societies. It should be supported by,

(i) a certificate of an Engineer or an Upper Subordinate to the effect that the application for cement has been scrutinized with reference to the plans and estimates approved by the society and that the quantity applied for is absolutely essential,

(ii) a certificate from the secretary of the building society or a director of the society to the effect that the information furnished by the applicant is based on facts, and that the requirements of cement are *bona-fide* and reasonable with reference to the plans and estimates of the house under construction, and

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(iii) details of working sheet showing the quantity of cement required with reference to plans and estimates.

4. Government have appointed Sri R. R. Varma, Manager, Cement Marketing Company of India, Madras, and Sri A. Shanmugam, Manager, Cement Marketing Company of India, Coimbatore, as Honorary Cement Controllers, to the Government of Madras. The jurisdiction of each is given below :

	Name of the District.
Sri R. R. Varma, Madras.	(1) South Arcot; (2) Chingleput; (3) Madras City; (4) North Arcot; (5) Chittoor; (6) Nellore; (7) Cuddappah; (8) Kurnool; (9) Anantapur; (10) Bellary; (11) Guntur; (12) Kistna; (13) West Godavari; (14) East Godavari; (15) Vizagapatam.
Sri A. Shanmugam, Coimbatore.	(1) South Kanara; (2) Malabar; (3) Tinnevely; (4) Ramnad; (5) Madura; (6) Tanjore; (7) Trichinopoly; (8) Salem; (9) Coimbatore; (10) Nilgiris.

The application should be addressed to the Honorary Cement Controller concerned according to the jurisdiction of each Controller. Immediately on receipt of the application. Deputy Registrars are requested to submit them to the Registrar with their recommendation. Such applications should ordinarily be dealt with on the day of receipt itself, in no case should there be delay of more than three days. On receipt of the applications, the Registrar will forward the applications with his remarks to the Cement Controller, Madras or Coimbatore, as the case may be.

5. In the case of co-operative house construction societies or building societies that have undertaken the construction of houses on behalf of their members, large quantities of cement will be required. The applications should be sent in the same manner as described in paragraphs 3 and 4 but instead of the certificate of the secretary or the director, it should be supported by a resolution of the Board of Directors. The quantities required for a period of six months should be forecasted and an application made sufficiently in advance to enable the Controller to arrange for the movement of stocks and to supply the requirements according to schedule. The number and value of the houses to be constructed should be furnished.

6. Casual requirements of cement by members of building societies for periodical repairs do not require a permit, if the quantity does not exceed 5 bags per member. But where cement in excess of 5 bags is required by a member for repairs, etc., a permit is necessary and the procedure indicated in paragraphs 3 and 4 should be followed.

7. Deputy Registrars are requested to communicate these instructions to all the housing societies in their charge and to see to it that the Non-Credit Senior Inspectors obtain the applications quick.

REPORT OF THE WORKING OF The Madras Provincial Co-operative Union, (from 1st July 1946 to 30th June 1947.)

1. Period of Report.

The following is a report of working of the Madras Provincial Co-operative Union for the period from 1st July 1946 to 30th June 1947.

2. Membership.

The number of member societies as on 30-6-46 were 649 and the number of member societies as on 30-6-47 was 700. The number of members belonging to different classes are given below. It is hoped that, by persistent appeal, more societies will be induced to enrol themselves as members.

Name of the Institution.	As on 30-6-46.	As on 30-6-47.
1 Provincial Institutions	7	8
2 Central Banks	31	31
3 Language Federations	2	2
4 Urban Banks	121	124
5 Audit Union	1	1
6 Land Mortgage Banks	53	55
7 Local Supervising Unions	171	174
8 Training Institutes	4	4
9 Honorary members	15	15
<i>Non-Credit Societies:—</i>		
10 Stores Societies	181	191
11 Marketing Societies	12	13
12 Loan and Sale Societies	21	21
13 Weavers' Societies	10	32
14 Milk Supply Unions and Societies.	4	13
15 Building Societies and Banks	7	6
16 Agricultural Societies	8	9
17 Other Societies	1	1
Total	649	700

3. Meetings.

(A) General Body

A meeting of the General Body was held on 4-1-47 when the Annual Report and Audit Review, 1945-46, were considered and adopted.

(B) Board of Management :

The Board met during the year twice, i.e., on 11-8-46 and 4-1-47.

(C) Executive Committee :

The Executive Committee met 5 times in the year and the meetings were generally well attended.

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(D) Sub-Committees :

The Sub-Committees for Credit, Consumers, Education and Propaganda, Producers and Marketing Societies met twice during the year.

(i) Credit Committee :

In view of the resignation of Sri P. S. Kumaraswami Raja, Chairman of the Credit Committee, who was appointed as a Minister, Sri V. Jaggaraju, one of the members of this Committee, was elected as Chairman of the Committee. The Committee discussed some useful subjects like the expansion of Rural Credit Societies, the reasons for the fall in loan business of the Village Credit societies and how the loan business can be developed in these societies, convening of half-yearly conferences for the expansion of the Movement and fixing up of a target to cover the Province with a net-work of rural credit societies, etc. The Committee also requested the Registrar of Co-operative Societies to entrust procurement to village credit societies in the absence of stores societies.

(ii) Consumers' Committee :

Various subjects were considered and representations were made to Government.

(iii) Producers' Committee :

This Committee considered the subject regarding steps to be taken to place the Cottage Industries societies on a satisfactory basis and passed a resolution requesting the Government to start Cottage Industries on co-operative lines in consultation with the District Banks of the areas and wherever possibilities exist.

The two candidates who were selected and sent for training last year in poultry-keeping have successfully completed their study and await employment by co-operative societies.

• 4. Activities.

The main activities of the Union have been, the conduct of the *Madras Journal of Co-operation*, subsidising Co-operative Journals, in the various languages of the province, running of Co-operative Library, publishing of propaganda literature, holding of examinations for the students of Co-operative Institutes and the celebration of the International Co-operators' Day. This year two conferences were held at Madras, (1) The 26th Madras Provincial Co-operative Conference, and (2) The 7th All-India Co-operators Conference.

(A) The Madras Journal of Co-operation :

The Journal continued to be published regularly every month. It continued to publish interesting literature and instructive articles on Co-operation and Agriculture, Rural Reconstruction, Postwar reconstruction and allied subjects. The cost of publishing the Journal amounted to Rs. 4,265 against which the subscription and appropriations of membership fees amounted to Rs. 6,469. The publication resulted in a net profit of Rs. 2,204. The Journal continued to be very popular. Besides affiliated societies which are entitled to a free copy, the number of subscribers rose to 630.

REPORT OF THE WORKING OF THE P. C. U.

(B) Subsidy to Language Journals :

Subsidy of Rs. 1,000 each was given to the Tamil Nadu Co-operative Federation, Coimbatore, which conducts a Journal *Kootturavu* and to the Andhra Desa Co-operative Union, which conducts the monthly Journal *Sahakaramu* and a sum of Rs. 250 for each was also given to *Kannada Sahakari* and *Parasparasahayi*, published by the South Kanara Co-operative Central Bank and the Malabar Co-operative Central Bank respectively. These Journals were conducted satisfactorily and appeared regularly, contributing a great deal for the spread of Co-operative ideas and ideals in their language areas.

(C) Library and Reading Room :

Books of the value of Rs. 495-8-0 were added to the Library besides subscription of Rs. 39-8-0 for newspapers. The Government gave a grant of Rs. 200.

(D) Propaganda :

(i) Magic Lantern and Cine Cinemas.

The Cine Cinema projector owned by the Union was used on several occasions for propaganda purposes by the Dairy expert of the Department. The Union purchased 3 more Cine Cinema projectors at a cost of Rs. 4,000.

(ii) Donation.

The Union also contributed a sum of Rs. 250 as donation to the expenses incurred by the Madras Provincial Co-operative Marketing Society which took part in the All-India Khadi and Swadeshi Exhibition held at Madras in December 1946 for exhibiting the Cottage Industries goods.

(iii) Publications.

The Union published this year only one book.

"Co-operation and Industrial Labour Welfare" with the kind help and co-operation of the Registrar, Mr. W. R. S. Saththianadhan, and Sri Rao Bahadur K. Subrahmanyam Naidu, who are solely responsible for the getting up of the publication.

Besides the above the Union purchased the following books for supplying to the member societies :

(i) "Co-operation" by Messrs W. R. S. Saththianadhan and Rao Bahadur J. C. Ryan.

(ii) "Suryarao's Ordeal" by Mrs. Kamala Saththianadhan.

(iv) Conferences.

The 26th Madras Provincial Co-operative Conference was held on the 4th and 5th January 1947 at Madras. Mr. T. A. Ramalingam Chettiar, President, elect could not preside owing to sudden illness. Mr. B. Venkataratnam, President of this Union, conducted the proceedings.

The Hon'ble Sri V. V. Giri, Minister for Co-operation, Industries and Labour, opened the Conference. The Hon'ble Sri P. S. Kumaraswami Raja, Minister for Agriculture, unfurled the Co-operative

Flag and also opened the Exhibition. The Conference was very largely attended by delegates from all over the province. There was a record gathering of about 600 delegates. Many visitors also attended.

(v) Exhibition :

In response to the invitation of the Executive Committee of the Madras Provincial Co-operative Union, Cottage Industries Co-operative Societies all over the presidency sent many articles of utility displaying a high order of workmanship for the exhibition organised at the time of the Conference.

Thousands of visitors came and saw the exhibition, evinced keen interest in all the products exhibited, and a very large portion of the articles on show were sold out quickly.

Many women students attended the Conference and also visited the Exhibition. There was a very good response for the appeal for donations from Co-operative Institutions. There was a surplus of Rs. 2,700 on Conference account.

The Union also ran a mess, as usual, for the convenience of delegates. The Ration authorities were very helpful in giving rations of rice, sugar, wheat, fuel, etc. The Union tenders its grateful thanks to the Trustees of the Pachaiyappa's College who were good enough to place at the disposal of the Union the extensive and spacious premises of the College to enable us to hold the Conference and Exhibition and to comfortably lodge a large number of delegates.

(vi) The All-India Co-operators' Conference :

The special session of the All-India Co-operators' Conference was held at the Banqueting Hall, Mount Road, Madras, to consider the recommendations of the All-India Co-operative Planning Committee. Sri Dewan Bahadur Hiralal L. Kaji, M.A., B.Sc., J.P., I.E.S., (Retd.) presided. The Hon'ble Sri K. Chandramouli, Minister for Co-operation, opened the Conference. Sri T. A. Ramalingam Chettiar extended a hearty welcome to the gathering. About hundred delegates from all over India including some of the Registrars of Co-operative Societies from various provinces and States attended. The Financial Adviser to the Co-operative Department of Punjab, two Officers of the Reserve Bank of India, the Marketing Adviser to the Government of India, the Economic and Statistical Adviser to the Government of India, and the Finance Secretary to H. E. H. The Nizam's Government, attended the Conference. The Hon'ble Ministers to the Government of Madras for Revenue, Public Works and Education also attended. Mr. and Mrs. Wallius of the Swedish Co-operative Wholesale Society also attended and spoke.

The Provincial Co-operative Union was in charge of the arrangements. The delegates were the guests of the Provincial Co-operative Union for the two days of the Conference. Special arrangements were made for the free lodging and boarding of the delegates. The Madras Provincial Handloom Weavers' Co-operative Society, the South India Co-operative Insurance Society, The Madras Co-operative Central Land Mortgage Bank, the Madras Co-operative Fire and

General Insurance Society, and the Madras Provincial Co-operative Bank responded to the request of this Union to be hosts. The Provincial Co-operative Union acknowledges with thanks the co-operation of these Provincial Societies in making the All-India Conference a great success. The Chingleput District Co-operative Wholesale Stores also stood as host for a day and the Union is grateful for the same. Many Central Banks and Wholesale Stores made liberal donations and the Union is grateful to them all.

(E) (i) Co-operative Education and Training :

This year the Union conducted the Co-operative Training Institutes' examinations thrice, i.e., October 1946 (short-term course for ex-servicemen, January 1947 (long-term course for ex-servicemen—Central Co-operative Institute, Madras) and as usual March 1947 both for ex-servicemen, servicemen and Civilians. Particulars regarding the number of candidates that appeared and passed are given below.

October 1946—Examination Results.

(Short-term course—three months—for the Ex-servicemen of the four moffusil Co-operative Institutes).

Centra.	Appeared.	Passed in Class I	Passed in Class II
Coimbatore Co-operative Institute, Coimbatore ...	24	2	14
Hood Co-operative Institute, Tanjore ...	23	2	16
Ramdas Co-operative Institute, Rajahmundry ...	21	3	14
Rayalaseema Co-operative Institute, Anantapur ...	20	2	11

January 1947 Examinations—Ex-Servicemen—Central Co-operative Institute, Madras.

Central Co-operative Institute, Madras ...	28	6	9
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March 1947 Examinations—Ex Servicemen, Servicemen, and Civilians of the four moffusil Institutes and Ex-Servicemen of the Central Co-operative Institute, Madras.

Military—Servicemen.

Coimbatore Co-operative Institute, Coimbatore ...	48	7	27
Rayalaseema Co-operative Institute, Anantapur ...	46	9	34

Military—Ex-Servicemen.

Hood Co-operative Institute, Tanjore ...	41	...	33
Ramdas Co-operative Institute, Rajahmundry ...	31	...	23
Central Co-operative Institute, Madras (Supplementary) ...	1	...	1

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Centre.	Appeared.	Passed in I Class	Passed in Class II
Civilians.			
Coimbatore Co-operative Institute, Coimbatore ...	89	1	45
Hood Co-operative Institute, Tanjore ...	83	1	62
Ramdas Co-operative Institute, Rajahmundry ...	43	2	35
Rayalaseema Co-operative Insti- tute, Anantapur ...	36	2	26
Supplemental candidates in all the above Institutes ...	40	...	12

(ii) Panchayatdars' Training Classes

The Executive Committee of the Union was of the opinion that the scheme of Panchayatdars' Training Classes worked for the last two years may be dropped and the grant may be utilised for education and propaganda by the Provincial Co-operative Union for schemes agreed upon. This year, during the months of April, May and June, Training Institutes conducted a short-course Training Class for the Employees of Weavers' Societies, Stores, etc. The Provincial Co-operative Union submitted a revised scheme to the Government for Education and Propaganda. Sanction of the Government is expected.

(F) International Co-operators' Day:

As usual, the International Co-operators' Day was celebrated on the first Saturday of November 1946. Sri Rao Bahadur A. Palaniappa Mudaliar, M.A., Additional Joint Registrar of Co-operative Societies, presided and many prominent Co-operators took part.

Funds.

The working of the Union for the year under review shows an income of Rs. 32,647 and an expenditure of Rs. 23,735, showing a surplus of Rs. 8,912, including the savings under the two Conferences.

Thanks.

The Union tenders its grateful thanks to the Madras Provincial Co-operative Bank for the generous grant of Rs. 9,500.

The Union also tenders its grateful thanks to the Registrar and the other Officers of the Co-operative Department for the keen interest they have taken in the working of the Union and the advice they have readily given to the Union.

Mr. W. R. S. Sathianadhan, who was Registrar for over three years, was transferred as Secretary, Development Department, Government of Madras. The Union places on record the great sympathy and help shown by him towards the Union and the Movement, in general.

(Sd.) V. VIYYANNA,
General Secretary.
" T. NARAYANA PILLAI,
" P. S. GURUVA REDDI.
Joint Secretaries.

AUDIT REVIEW

BY

SRI G. CHANDRASEKHARAM, M. A.,
Deputy Registrar of Co-operative Societies, Madras,

ON THE ACCOUNTS OF

The Madras Provincial Co-operative Union, No. 1130,
for the year ended 30-6-1947.

The accounts of the Madras Provincial Co-operative Union for the year ended 30-6-47 as audited by Sri D. S. Venkata Viraraghava Iyengar, Inspector of Co-operative Societies, Madras, are passed. The statements of receipts and charges, funds available and obligations to be fulfilled, and income and expenditure accounts as furnished by him are appended.

2. Membership :—The number of members as on 30-6-47 was—

Name of the institution.	As on 30-6-46.	As on 30-6-47.
1 Provincial Institutions ...	7	8
2 Central Banks ...	31	31
3 Language Federations ...	2	2
4 Urban banks ...	121	124
5 Audit Unions ...	1	1
6 Land Mortgage Banks ...	53	55
7 Local Supervising Unions ...	171	174
8 Training Institutes ...	4	4
9 Honorary Members ...	15	15

Non-Credit Societies :—

10 Store Societies ...	181	191
11 Marketing Societies ...	12	13
12 Loan and Sale Societies ...	21	21
13 Weavers' Societies ...	10	32
14 Milk Supply Unions and Societies ...	4	13
15 Building Societies and Banks ...	7	6
16 Agricultural Societies ...	8	9
17 Other Societies ...	1	1
Total ...	649	700

3. Funds.—The Funds of the Union are composed mainly of :

- Contribution from member societies.
- Subscription from Madras Journal of Co-operation.
- Subsidies and other miscellaneous.

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The Demand, Collection and Balance statements for items (i) and (ii) are given below :—

	Demand	Collection	Balance	Advance Collection
	Rs.	Rs.	Rs.	Rs. A.
Contribution ...	6,285	5,261	1,024	6 0
Subscription ...	2,911	2,261	650	25 8

4. Activities of the Union :—

(a) *Madras Journal of Co-operation*:—The Journal was published every month. The cost of publication amounted to Rs. 4,265. Against this Rs. 6,469 was realised by subscription and contribution.

(b) *Library*:—The value of books on hand amounted to Rs. 3,000.

(c) *Subsidies*:—Journals were published in the vernacular languages. Subsidies paid to the Institutions are noted below :

	Rs.
1. Tamil Nadu Co-operative Federation ...	1,000
2. Andhra Sahakara Sammelanam ...	1,000
3. Malabar District Co-operative Central Bank ...	250
4. South Kanara Central Bank ...	250

Meetings:—One meeting of the General Body was held in the year. Two Board meetings and five Executive Committee meetings were held in the year.

Miscellaneous:—*Institutes*—The Training Classes of Supervisors were conducted in the four training institutes at Tanjore, Coimbatore, Anantapur and Rajahmundry. The Union received a sum of Rs. 3,449 by way of examination fees, etc., against an expenditure of Rs. 2,112.

(Sd.) G. CHANDRASEKHARAM,
Deputy Registrar.

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The Madras Provincial Co-operative Union, ESPLANADE, MADRAS.

Proceedings of the General Body Meeting held at 2 p.m., on 10-1-1948, at the premises of the M. P. C. Bank, Esplanade, Madras.

Present :—SRI B. VENKATARATNAM CHOUDARY, M.L.A., *President*.

(250 other members are also present).

The General Secretary read the notice of meeting and the Administration Report.

The President made a short speech.

1. Consideration of the Administration Report and Audit Review of the Provincial Co-operative Union for the year 1946-47.

Suggestions were made to give details of the activities in the Administration Report.

Sri N. Satyanarayana in moving the adoption of the Report wanted the General Body to agitate that distribution of manures, iron, etc., should be done only through Co-operative Societies and also that Co-operative Societies should be exempted from levy of Audit fees.

He further suggested that articles from experts of Co-operation may be got and printed in the *Madras Journal of Co-operation*. He further emphasized that subjects which were discussed at Co-operative Conferences may be published in the shape of pamphlets.

Sri T. Tyagaraja Mudaliar seconded and made some remarks for future guidance.

Then the Administration Report was passed unanimously.

2. Amendment to By-law No. XVIII (v) regarding sending of General Body meeting notice.

Existing By-law.

All notices of meeting of General Body shall be given to the Member Societies who shall forward the same to its representatives; 80 days' notice should be given in the case of General Body Meeting.

Proposed Change.

All notices of meeting of General Body shall be given to the Member Societies who shall forward the same to its representatives; 15 days' notice should be given in the case of General Body Meeting.

The amendment was withdrawn.

3 Resolutions and motions, if any, of which notice is given.

Resolutions :

1. "This General Body regrets the decision of the Government to collect audit fees from all Co-operative Institutions including Agricultural Rural Credit Societies. The decision of the Government goes against the resolution passed unanimously at the recent Conference of Co-operators convened by the Government under the Chairmanship of the Hon'ble Minister for Development. Even during the Adviser's regime the Government exempted the agricultural Rural Co-operative Credit Societies from the levy of Audit fees. Instead of implementing that policy and helping the agricultural societies, this General Body regrets to note that the popular Ministry has decided to cancel the concession. This General Body strongly appeals to the Government to reconsider its decision and accept the recommendation of the Co-operators' Conference, viz.,

"That Rural Credit Societies should be completely exempted from payment of Audit Fees."

"That the existing concessions regarding audit fees allowed to certain types of societies should continue, subject to the condition that audit fees under the existing scale may be levied by Government if any such society is able to declare a dividend of 8 per cent in any year."

By Mr. V. VIYYANNA, B.A., B.L.,
General Secretary,
Madras Provincial Co-operative Union.

Resolutions carried.

(B)

- (i) Resolved to subsidise Central Banks as are willing to undertake to do propaganda work amongst small and schedule class societies with a sum not less than Rs. 500 each per annum.
- (ii) "Resolved that adequate steps be taken for celebrating the International Co-operators' Day every year in a befitting manner by extending invitations to every one of the Societies at the Headquarters of the Provincial Co-operative Union and to all those prominent Co-operators in the mofussil sufficiently in advance by also issuing a special request to the Co-operative Language Federations and other educational Co-operative Institutes to independently celebrate the Day with a view to effectively carry out the mission of International Co-operative Alliance and that at least a sum of Rs. 1,000 be set apart to make such celebrations a grand success.

By Mr. C. TYAGARAJA MUDALIYAR,
Representative of the
Madras District Co-operative Central Bank.

Both parts of Resolution B were seconded by Sri V. K. Ratnasabhapathi Mudaliyar. (Vellala Co-operative Bank)

Both parts of Resolution No. B have been withdrawn.

(C) (i) Disqualification of members of Co-operative Stores Societies to be members of Food Committees.

This Union considers that the policy of the Government of Madras to disqualify members and directors of Co-operative Stores Societies for ordinary membership in Food Committees is erroneous.

Resolution passed.

(ii) Entrustment of procurement and distribution of controlled commodities to Co-operative Societies in G.O. No. 791, Food, dated 19-9-1946.

"This Union considers that the above G.O. has not been properly carried out by the Food Department of the Government of Madras and by the Board of Revenue"

Resolution passed.

(iii) Three years' programme for development of the Co-operative Movement in the Province.

"This Union considers that for the proper development of the Co-operative Movement in the Province, a 3 years' programme for starting Rural Co-operative Banks functioning as multi-purpose societies in groups of villages and covering the entire province should be carried out by the Government. The societies should also function as Consumers' Co-operative Stores in view of the immediate need to prevent hoarding and profiteering by private trade under de-control.

5 years' programme accepted.

All the three parts of Resolution C were moved by Mr. A. S. Kuppusami, (Representative of the Tinnevely District Co-operative Central Stores, Tuticorin.)

(D) (i) "Resolved to request the Government to amend the Madras Co-operative Societies Act so as to provide sanctioning of the following kind of loans :

Short-term crop loans not exceeding one to two years,
medium-term loans three to five years, long-term loans
five to ten years.

Resolution passed.

(ii) "Resolved to request the Government not to set apart certain item separately as other incomes and levy income-tax on them.

Resolution passed.

(iii) "The audit fee charged at present from limited liability societies is very high. This General Body requests the Government to

levy audit fees according to the transactions or total income and also permit the societies to appoint G. D. A.'s or Registered Accountants as Auditors.

Resolution passed.

- (iv) "Resolved to request the Registrar to amend the by-laws of the societies so as to include B class members for purpose of issuing temporary loan, jewel loan, season deposits, chit fund, etc., by Town Banks.

Resolution passed.

- (v) "Resolved to request to extend the area of operation of the Town Banks to a whole taluk for purposes of issue of loans on jewels by Town Banks and to amend the subsidiary rules of the Town Banks so as to help the villagers."

Resolution passed.

All the five parts of Resolution D were moved by Mr. M. S. Seshachalam Iyer, Representative, (Tiruvannamalai Co-operative Union.)

4. Any other subject.

The Provincial Co-operative Union's Executive Committee Resolution No. 18 (ii) recommending one month's salary to the staff as interim relief.

"Resolved to pay one month's salary as interim relief to staff."

5. Election of 15 Honorary Members as per by-law No. IV (b).

The following gentlemen have been elected as Honorary Members by the General Body of the Provincial Co-operative Union:

- 1 Sri V. Viyyanna, B.A., B.L.
- 2 Sri K. Bhashyam, B.A., B.L., M.L.A.
- 3 Dr. Sri B. V. Narayanaswami Naidu, M.A., Ph.D., B. Com., Bar-at-Law.
- 4 Sri R. Suryanarayana Rao, B.A., M.L.C.
- 5 Sri K. G. Sivaswami.
- 6 Rao Bahadur Sri S. K. Yegnanarayana Iyer, M.A.
- 7 Sri B. S. Murti, M.L.A.
- 8 Dr. Srimathi Soundaram Ramachandran.
- 9 Sri D. Ramachandra Rao.
- 10 The Hon'ble Sri B. Gopala Reddy.
- 11 Mrs. K. Sathianadhan, M.A., M.B.E.
- 12 Srimathi B. Ammana Raja, M.L.A.
- 13 Sri N. Somasundaram, B.A., B.L.
- 14 Dewan Bahadur Sri C. Tadulinga Mudaliar.
- 15 Rao Bahadur Sri T. M. Chinniah Pillai, B.A., B.L.

6. Election of Office-bearers as per by-law No. XVIII (i) (a) to (e).

The following officers were unanimously elected :—

- | | | |
|---|---|--------------------------|
| 1 | Sri B. Venkataratnam Choudary, M.L.A. | ... President. |
| 2 | Sri P. S. Kumaraswami Raja, M.L.A. | ... } Vice-Presidents. |
| 3 | Sri V. Kodandarama Reddy | ... } |
| 4 | Sri V. Viyyanna, B.A., B.L. | ... General Secretary. |
| 5 | Sri P. S. Guruva Reddy | ... } Joint Secretaries. |
| 6 | Sri T. Narayana Pillai, B.A., B.L. | ... } |
| 7 | Dewan Bahadur Sri C. Tadulinga Mudaliar | ... Treasurer. |

7. Election of the Board of Management by the different types of societies as per by-law No. XX (i) (g).

1. Credit Committee (total number of representatives : 22.)

(i) Central Banks : (7 representatives.)

Telugu Districts :

- (1) Sri G. Srirama Reddi (Chittoor)
- (2) Sri M. Ramakrishna Reddi (Ellore, W. Godavari)
- (3) Sri K. Lakshmayya Naidu (Masulipatam, Kistna District)

Tamil Districts :

- (4) Sri T. Krishnamurti Gounder (Vellore, N. Arcot District)
- (5) Janab P. Allapichai (Madura)
- (6) Sri D. Mahalingam Pillai (Tanjore)

Malabar and S. Kanara :

- (7) Sri M. M. Kunhirama Menon (Malabar)

(ii) Urban Banks : (3 representatives.)

Telugu Districts :

- (1) Sri V. R. Satyanarayana (Rajampet Town Bank, Cuddapah District)

Tamil Districts :

- (2) Sri R. Rajasanthanam Pillai (Sri Kamalambika Urban Bank, Tiruvarur, Tanjore District)

Malabar and S. Kanara :

- (3) Vacant

(iii) Unions : (7 representatives.)

Telugu Districts :

- (1) Sri K. Sitharamaswami (Bobbili L.C.U., Vizag. District)
- (2) Sri D. Rajaram Reddi (Nellore)
- (3) Sri G. V. S. Bhaskara Rao (Palivela L.C.U., E. Godavari)

Tamil Districts :

- (4) Sri K. Srinivasulu Naidu (Uttiramerur L.C.U., Chingleput District)
- (5) Sri A. Ramachandra Pillai (Tiruppattur L.C.U., Ramnad District)
- (6) Janab E. P. M. Mohamad Magudam Sahib Bahadur (Puliangudi L.C.U., Tinnevely District)

Malabar and S. Kanara :

(7) *Vacant*

(iv) **Primary L.M.B's. (3 representatives.)**

Telugu Districts :

(1) Sri V. Jaggaraju (Amalapuram L.M.B., E. Godavari)

Tamil Districts :

(2) Sri N. S. Ramalingam (Tirutturaipundi L.M.B., Tanjore District)

Malabar and S. Kanara :

(8) *Vacant*

(v) **House Building Societies and House Mortgage Banks : (1 representative.)**

(1) Sri H. M. Jagannatham (Madras City House Mortgage Bank.)

(vi) **Representative of the M.P.C. Bank : (1 representative.)**

(1) Sri T. A. Ramalingam Chettiar

2. **Consumers' Committee : (Total number of representatives : 9).**

(i) **Central, Wholesale or District Stores (3 representatives).**

Telugu Districts :

(1) Sri H. Linga Reddi (Central Stores, Bellary).

Tamil Districts :

(2) Sri L. N. Paramasivam Pillai (Central Stores, Trichinopoly).

T.U.C.S. (Madras) :

(3) Sri T. Balasundaram Mudaliar.

(ii) **Primary Stores : (6 representatives).**

Telugu Districts :

(1) Sri K. V. Rama Rao (Hanuman Co-operative Stores, Kurnool).

(2) Sri D. V. Subbarao Choudary (Venkataram Co-operative Stores, Patchalatadiparru, Guntur District).

Ceded Districts :

(3) Sri B. Ranganatham (Co-operative Swadeshi Stores, Anantapur)

Tamil Districts :

(4) Janab D. K. Yusuf Mohideen Ansari Sahib

(Dharapuram Co-operative Stores, Coimbatore District).

(5) Sri B. K. Vembu Iyer (Karur Co-op. Stores, Trichinopoly Dt.)

Malabar and South Kanara :

(6) *Vacant.*

3. **Producers' Committee (Total representatives 7).**

(i) **Madras Handloom Weavers Representative. (One)**

(1) Sri A. J. Arunachala Mudaliar.

(ii) **Primary Weavers' Societies (3 representatives).**

Telugu Districts :

(1) Sri M. Somappa

(Yemmiganur Weavers' Co-operative Production and Sale Society, Bellary District).

Tamil Districts :

(2) Sri M. P. Nachimuthu Mudaliar
(Chennimalai Weavers' Co-operative Sale Society,
Coimbatore District).

Malabar and South Kanara :

(8) *Vacant*

(iii) **Cottage Industries, Milk Supply Unions, Fruit Growers and other Societies : (3 representatives).**

Telugu Districts :

(1) Sri M. Suryanarayana
(Bhimavaram Agricultural Improvement Society,
West Godavari District).

Tamil Districts :

(2) Sri S. Thirunavukkarasu Mudaliar
(Coimbatore Milk Supply Union).

Malabar and South Kanara :

(8) *Vacant*

4. **Marketing Committee : (7 representatives).**

(i) **Loan and Sale Societies (4 representatives).**

Telugu Districts.

(1) Sri B. Satyanarayana, (Viziavada Co-operative Crop Loan and Sale Society, Bezvada.)

(2) Sri C. Sankara Reddi (Vayalpad Marketing Society, Chittoor District).

Tamil District :

(3) Sri K. A. Nachiappa Gounder, (Tiruchengode Marketing Society, Salem District).

(4) Sri N. P. Swaminatha Pillai, (Chidambaram Paddy Sale Society, South Arcot District).

(ii) **Marketing Federations : 2 representatives.**

Telugu Districts :

(1) Sri Javvadi Lakshmayya Naidu (Penugonda Marketing Society, W. Godavari).

Tamil Districts :

(2) Sri P. K. Kuppusami Naidu, (Madura-Ramnad Marketing Federation, Madura).

(iii) **Madras Provincial Co-operative Marketing Society. (one representative) : Dr. Sri P. Natesan.**

5. **Education Committee : (Total Representatives 9).**

(i) **Co-operative Training Institutes : (4 representatives.)**

(a) D. Ramamohana Rao ... Rajahmundry.

(b) Sri S. Srinivasulu. ... Anantapur.

(c) Sri M. S. Palaniappa Mudaliar ... Coimbatore.

(d) Sri O. A. Narayanaswami Iyer. ... Tanjore.

(ii) **Language Federations : (2 representatives.)**

(e) Sri N. Satyanarayana. ... Andhra Desa.

(f) Sri T. Narayana Pillai. ... Tamil Nadu,

(g) *Vacant* ... Kanara.

(h) *Vacant* ... Malabar.

THE MADRAS JOURNAL OF CO-OPERATION

(iii) Representative of the M.P.C. Bank (One.)

Sri T. A. Ramalingam Chettiar.

One representative of each of the Provincial Societies not represented on the Board as per by-law XX (1) clause (g).

- | | |
|---------------------------------|---|
| 1. Dr. Sri K. Subbaramiah | ... The South India Co-operative Insurance Society. |
| 2. Sri B. Ramanaiah | ... The Co-operative Fire & General Insurance Society. |
| 3. Sri T. A. Ramaswami Reddiar, | ... The Madras Central Co-operative Land Mortgage Bank. |
| 4. Sri V. Venkatachalam | ... C. C. P. Works, Ltd. |

New Board of the Madras Provincial Co-operative Union met at 5 p. m. on 10-1-1948 at the M. P. C. Bank Buildings.

Sri B. Venkataratnam Choudary, M.L.A. ... President,
(55 other members are present.)

1. Co-opting five members as per by-law No. XX (1) (i).

The following have been co-opted unanimously :—

1. Sri B. S. Murti, M. L. A. (Education).
2. Dr. Srimathi Soundaram Ramachandran (Producers).
3. Sri K. G. Sivaswamy (Consumers).
4. Sri R. V. Ramarao Naidu (Credit).
5. Sri T. S. Muthukumaraswami Pillai (Marketing).

2. Election of Chairman to each of the Committees as per by-law No. XXI (i.)

The following gentlemen have been elected as Chairman for the respective Committees by each Committee :—

- | | |
|-----------------|------------------------------------|
| (a) Credit : | ... Sri D. Mahalingam Pillai. |
| (b) Consumers : | ... Sri H. Linga Reddy. |
| (c) Education : | ... Sri N. Satyanarayana. |
| (d) Producers : | ... Sri M. P. Nachimuthu Mudaliar. |
| (e) Marketing : | ... Sri K. A. Nachiappa Gounder. |

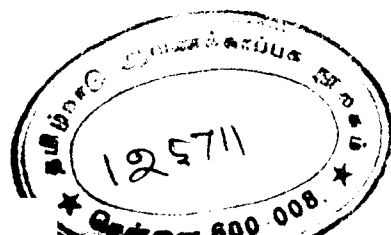
3. Election of 3 members by the Board of Management to the Executive Committee as per by-law XXII-2 (i)

The following gentlemen have been unanimously elected.

- (i) Janab P. Allapichai.
- (ii) Sri L. N. Paramasivam Pillai.
- (iii) Sri V. Jaggaraju.

4. Representative of the M.P.C Bank as per by-law XXII-2 (g),
Sri T. A. Ramalingam Chettiar.

(Sd.) B. VENKATARATNAM.
President.



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