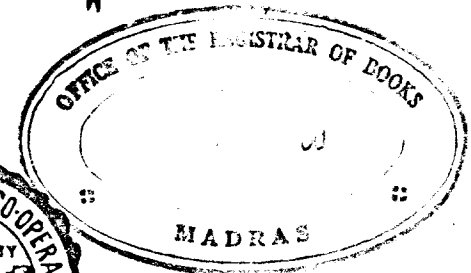
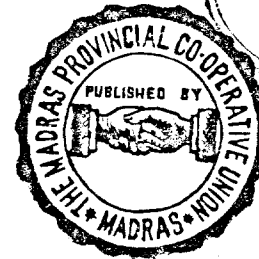


The Madras Journal of Co-operation

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THE

Madras Journal of Co-operation

EACH FOR ALL AND ALL FOR EACH

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

FEBRUARY 1950

No. 8, VOL. XLI

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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.

Re-organisation of Rural Co-operatives—An Year's Progress :

The Scheme for re-organising the rural credit societies in Madras was ushered in January 1949. By it, new rural societies were to be organised, dormant and weak ones were to be revived, and multipurpose activities were to be introduced in as many societies as possible. With a view to have planned action, a target was fixed, by which 50 per cent of the villages and 30 per cent of the population in the Province should be brought into the co-operative fold in two years. An annual subsidy of Rs. 1.27 lakhs was sanctioned by the Government for two years, so that the Co-operative Central Banks could have an additional team of Supervisors to carry on the work vigorously.

Work on a considerable scale in most of the districts was, however, begun in March 1949. The position in March was as follows: There were 10,885 rural credit societies at the end of the month. Of them 8,597 were good and active societies; and 1,216 were dormant ones. The number of villages and the population served by the societies were 16,384 and 42.77 lakhs respectively, which worked out to 43 per cent of the total number of villages and 10.7 per cent of the total population in the Province. It has also been stated that 1,363 rural credit societies undertook multipurpose activities, the amount involved in the transactions being Rs. 11.09 lakhs and the number of members benefited being 1.20 lakhs.

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We commend this policy for adoption, for it will ensure a psychological approach to and a well-regulated expansion of the rural credit movement. At a meeting of Bank Supervisors and others held at Tinnevely early in January, it was resolved that further efforts should be concentrated not on organising new societies but on consolidating the existing ones and increasing their membership. It is therefore earnestly hoped that the official and non-official sections of the Co-operative Movement will co-ordinate their efforts on the lines suggested by the Co-operative Conference, so that, ere long, *real* progress could be had.

Experiments in Co-operative Farming in Madras :

Co-operative farming is now receiving some attention and interest in our Province as in the other parts of our country. Several economic circumstances are responsible for this—the grave food shortage, the need for the resettlement of ex-servicemen and the rehabilitation of refugees, the abolition of *Zamindaris* and above all the need for effecting economies in agricultural production. It is felt by some people that the conditions in our country are not quite favourable to the development of a perfect system of co-operative farming of the type of the Jewish Settlements in Palestine. But the general opinion is in favour of making a beginning in this new agro-economic enterprise, so that by experience it may be developed on sound lines in accordance with the requirements of our country.

Co-operative farming as an experimental measure has been taken up in many Provinces and States. In the Madras Province the first important scheme is the Marudur scheme, which has now been followed up by a few more schemes which are receiving the attention of the Government. We have in this issue an interesting note on an experiment in Co-operative Farming at Nelvoy in South Arcot District. Under the scheme, the Nelvoy Society took over on a twenty-year lease about 400 acres of land from the *pattadars*, some of whom are absentee land-owners. The land was distributed among landless labourers and *Harijans*. Government have given the Society, all the concessions to which land colonisation societies are eligible. The Joint Registrar of Co-operative Societies, Sri K. Subrahmanyam Naidu, visited the Society recently and discussed with the Directors the future lines of its development, such as water supply through a rain-fed tank and the River Palar by the installation of pumps. There are also proposals for encouraging dairying and sheep-farming as subsidiary occupations.

The experiments in Co-operative farming in Madras are rather akin to land colonisation schemes organised mostly for the benefit of the *Harijans* and landless labourers. They are unlike the lines adopted in Bombay, Bihar and other Provinces. For instance in Bihar, sugarcane is grown on scientific lines as a co-operative farming enterprise. An International Labour Office survey showed how Co-operative farming was functioning in 23 countries in different parts of the World under different stages of development. It is therefore not possible to expect a dead uniformity in all regions.

Madras is, however, yet to make much progress in this new field of Co-operative farming. The conditions are fairly favourable to such development. A brochure just published by the Economic and Statistical Adviser to the Ministry of Agriculture, New Delhi, recommended as a preliminary measure the cautious formation of multipurpose societies and "intensive Co-operative education which would put before the former the benefits of co-operation in a concrete way." Now that the Province is endeavouring to promote multipurpose activity, it should not be difficult for it to give more attention to Co-operative farming which offers a vast scope for expansion in the Province where there are at present innumerable uneconomic holdings on the one hand and vast areas of cultivable waste, and vast numbers of landless labourers on the other. At the recent Madras Provincial Co-operative Conference Shri R. G. Saraiya, the President of the Conference said :

"May I take this opportunity to appeal to the co-operative workers in the Province and to the Government of Madras and the Officers of the departments of Agriculture and Co-operation to intensify their efforts for the promotion of co-operative farming by persuasion; propaganda and the provision of facilities? To my mind this offers the most constructive contribution that the co-operative movement can offer to the solution of our rural economic problems."

We join him in his earnest appeal and hope that the Government and the people will put forth more vigorous efforts in the direction suggested.

The Tenth Agricultural Economic Conference:

A three-day session of the Tenth Agricultural Economic Conference was held in Madras commencing from the first of last month. Several delegates from all parts of the Country attended.

Among the distinguished visitors was Prof. Ashby, Director of the Agricultural Economics Institute, University of Oxford, who "originally a farmer, has by long years of work and study become one of the greatest living world authorities in the field of Agricultural Economics." The Hon'ble Sri B. Gopala Reddy, Minister for Finance, Madras, welcomed the delegates and visitors and the Hon'ble Sri P. S. Kumaraswami Raja, then Premier (now Chief Minister), Madras, inaugurated the Conference.

The Hon'ble Dr. Rajendra Prasad, then President of the Indian Constituent Assembly (now President of the Indian Republic) presided over the Conference.

An awareness of the need to make the country self-sufficient in the matter of food supply was the keynote of the various speeches and discussions of all those participated in the Conference. Inaugurating the Conference, the Hon'ble Premier said, "The Grow-More-Food-Campaign has been there for seven years now and there had been great argument about it and against it . . . Unless we found a speedy solution to this, we should soon degenerate into a Nation who could not think or achieve anything else."

The Presidential Address was very comprehensive and showed Rajen Babu as what the Hon'ble Premier described as a "Peasant-President." In his Address he covered several aspects of the agricultural problem and showed a deep understanding of the practical issues. While admitting the present deficit of 10 per cent in food grains, apart from the deficits in other commodities like cotton and jute, he firmly showed himself against the mechanisation of agriculture. He found extensive scope in small projects, in scientific research and demonstration. While appreciating the urgent need for larger yield, he felt that the same could possibly be achieved not by the difficult process of amalgamation of small holdings but by Co-operative farming.

Several papers were read by the delegates on subjects like the settlement of tenants on lands, consolidation of uneconomic holdings, the milk problem and food production. In the discussion which followed, several view points were expressed.

At a Conference like this which centred round agriculture, one would naturally expect Co-operation to figure very largely in the discussion of ways and means of agricultural development, for in the present conditions of agricultural economy, it is obviously impossible to dissociate agriculture from co-operation. One or two members,

apart from the President, however, referred to the Co-operative Movement. Initiating a discussion on low income and sub-marginal farmers, Sir Manilal B. Nanavati observed: "The Co-operative Movement in India, with its undue emphasis on credit, should be lifted out of its ruts into which it had fallen, and its present happy-go-lucky methods should be entirely orientated so as to make it a rehabilitation movement." It is rather ungenerous to condemn our credit activities. We do not see how in a movement designed to rehabilitate the low income farmers, credit would fail to play a major part, for everything in rural economy primarily centres round credit in a country like ours. We would in this connection place before our readers the view expressed by Sri T. A. Ramalingam Chettiar, one of the prominent Co-operators of Madras. Speaking at the recent Madras Provincial Co-operative Conference, Sri Ramalingam Chettiar said, ".....it has been said we were doing only credit work and we do not extend our Movement in other directions. Even if it were so, I do not think there is reason to be ashamed of it. India depends on agriculture as its main occupation and 80 per cent of the people depend on it. If we have undertaken to finance cultivation and the agricultural occupation and, if to any extent we have succeeded in that job, I think, we can justly be proud."

The discussions at the Conference, though they did not lead to a constructive programme of work, were all the same very important; for they indicated an awareness of the shortage of agricultural production and the need to concert measures for an expansion of production on more scientific lines than at present. The key to the solution of the problem was, in a way, offered by the President himself. He said that the failure of the human element to rise to the occasion was responsible for not achieving the high results expected. He also observed in his concluding speech that, "We should talk less of shortage and try to improve our production."

Here is the hope and the prospect for the Co-operative Movement in the field of agriculture; for it has the human element unlike the other methods of production and is wholly concerned with the positive efforts for improving production. It is our earnest hope that under the fostering care of the "Peasant-President" of the Great Indian Republic, every effort would be made to press the Co-operative Movement into service in the sphere of agriculture.

The Madras Provincial Co-operative Union Examinations, 'April 1950

An examination for the students of the Tanjore, Coimbatore, Anantapur and Rajahmundry Institutes will be held at the respective Institutes' headquarters from 1st April 1950 to 10th April 1950 as per programme given below.

Saturday	...	1-4-1950	10 a.m. to 1 p.m.	Co-operation—Historical, General and Principles.
Tuesday	...	4-4-1950	10 a.m. to 1 p.m.	Co-operative Law.
Wednesday	...	5-4-1950	10 a.m. to 1 p.m.	Audit.
Thursday	...	6-4-1950	10 a.m. to 1 p.m.	Book-keeping.
Saturday	...	8-4-1950	10 a.m. to 1 p.m.	Banking.
Monday	...	10-4-1950	10 a.m. to 1 p.m.	Rural Economics, etc.

Candidates who failed in the previous Provincial Co-operative Union Examinations held during 1942 to 1949, 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 in Theory comprises of three parts :—

- | | | |
|---|---|-----------|
| 1 Co-operation—Historical, General and Principles | } | Part I. |
| 2 Co-operative 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. 11 for the whole Examination for students undergoing training in the Institutes for whom the marks obtained by them in the examination will be supplied direct through the Institutes. However, this rule does not apply to supplementary candidates for whom the fee of Rs. 2 for furnishing marks will stand. The Examination fee is Rs. 4 for each Part.

Non-credit Trainees' Supplemental Examination.

A Supplemental Examination for the Candidates who underwent Non-credit Employees Special Training during April to October 1948 and failed in November 1948 examination conducted by this Union either in full or in parts will be held along with the Supervisors' training examination as per the same time-table, published above. The question papers will be different for the non-credit training candidates. The examination fee is Rs. 5 for the whole examination and Rs. 2 for each part. The candidates may apply to this Union for application forms and for other particulars with postal stamps worth As. 2.

The last date for receiving the examination fees together with the application in the prescribed form is 28-2-1950. Fees must be remitted only by money order. Applications and money orders received after the said date are liable for rejection, and no complaint in this behalf will be attended to.

For further particulars please apply to :

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

Rural Reconstruction and Prohibition

SRI A. PALANIAPPA MUDALIAR,

Deputy Commissioner of Prohibition, (Amelioration), Madras

Prohibition is a socio-economic reform of first rate national importance. The freedom that the country obtained on August 15th was but the beginning of an era of social endeavour to widen the freedom for the benefit of the common man and the humble worker, and Prohibition is the one great reform which is calculated to ensure this object. If India is to take her rightful place in the family of nations by virtue of her population and the traditions, which she has inherited not only from her past but also from Mahatma Gandhi, we have to do everything that we can to raise the economic, social and moral level of the masses. This can be done not only by increasing their earning capacity—a matter which is seriously engaging the attention of the State—but also by eliminating all wasteful expenditure so that their earnings are utilised to the best advantage and to promote their well-being. A survey on the working of Prohibition in the South Arcot District conducted a few months ago by the students of the Annamalai University has disclosed that the percentage of income spent on drink ranged from 21 to 54. Prohibition is not merely a negative programme of abolishing the drink evil but a positive programme of reconstruction of rural life. In the words of the Hon'ble Sri P. S. Kumaraswami Raja, Premier of Madras, "the aim of all nation-building activities worth the name is to raise the standard of the masses and that can easily be achieved by Prohibition. Besides, we are spending vast sums of money on activities like Firka Development, Cottage Industries, Adult Education, Village Uplift; all these activities would be waste of our efforts if the drink evil, the greatest force of disintegration, still persists." No doubt, Prohibition involves the loss of revenue to the Government to the extent of about 16 crores. Nevertheless the Madras Government were prepared to forego the revenue with a view to save the millions of our people from starvation, misery and debt and to help them to lead a life of peace, happiness and prosperity. The indirect gain to the people of the Province by Prohibition would be about Rs. 70 to 80 crores. Prohibition is thus a vital issue and a paramount necessity for the welfare of our country.

To Madras belongs the honour of being the pioneer of this silent and glorious revolution. She takes the pride of place as the

Province which has led the Country and the world in total Prohibition and which can show that Prohibition can succeed. Prohibition was first introduced on 1-10-1946 in 8 districts, extended to 8 more districts in October 1947 and to all the remaining districts on 2-10-48. The introduction of total prohibition constitutes a landmark in the history of the Madras Province, nay of India, thanks to the determination and avowed policy of the Madras Government to remove an admittedly social evil as one of the foremost schemes for rural reconstruction. It has thereby raised "an imperishable monument" to Mahatma Gandhi, the Father of the Nation, to whom Prohibition was a cause most dear to his heart.

For the successful enforcement of Prohibition, propaganda and ameliorative work among the ex-addicts are as important as detection and prevention of crimes and the punishment of the offenders under the Prohibition Law. Prohibition also brings in the wake of its introduction problems relating to the resettlement of ex-toddy tappers, who are thrown out of work. Above all, opportunity is taken to harness the new spirit ushered in by Prohibition for social and rural uplift work as otherwise the gains of Prohibition will not be realised by the community at large. Government, therefore, simultaneously with the introduction of Prohibition, launched various ameliorative measures not only to give relief to ex-toddy tappers who are directly and immediately affected by prohibition and to the ex-addicts by providing counter-attraction to drink but also to bring about general rural uplift. Ameliorative work is almost synonymous with general village improvement and rural uplift and with the transfer of the ameliorative work to the Co-operative Department increasing use is made of the Co-operatives for such uplift work.

Foremost among the ameliorative activities is the resettlement of the ex-toddy tappers thrown out of work consequent on the introduction of the Prohibition. The number of toddy tappers thrown out of employment in this way was about 1.63 lakhs. The problem was rather acute in certain districts like South Kanara, Malabar, Coimbatore among the old 16 Prohibition districts and Tirunelveli, Ramnad, West Godavari and Madras City among the new 9 districts. In the other districts, the problem was only a temporary phase and the ex-toddy tappers have been adjusting themselves to the changed conditions by taking to agriculture or other allied occupations. One of the measures adopted to provide

them with alternative work was the formation of palmyrah jaggery manufacturing co-operative societies. Other types of co-operative societies such as Milk Supply Societies, Land Colonisation Societies, Cottage Industries Societies, were also formed for their benefit in suitable places. But the jaggery manufacturing co-operative societies were the most popular, because they handled an industry with which the toddy tappers were already familiar. To provide employment to them Government permitted the tapping of sweet juice from palmyrah trees in most of the districts in the Province for the manufacture of jaggery on a co-operative basis. They have also permitted the tapping of sweet juice from cocoanut trees in Malabar, South Kanara, Coimbatore and Madras City for jaggery manufacture, from date trees in the districts of Chittoor, Anantapur, Guntur and North Arcot, and from sago trees in Malabar. There are at present 1,504 jaggery manufacturing societies with a membership of 1,00,132. Thus, out of 1.63 lakhs of toddy tappers thrown out of work on account of prohibition in the Province, about 61.3 per cent have been provided with employment by the formation of jaggery manufacturing societies. Government have sanctioned the necessary staff for supervision of these societies. These Societies produced about 5.72 lakhs of maunds of jaggery valued at Rs. 30.80 lakhs during the calendar year 1948. Government have also permitted the tapping of sweet juice and its sale for personal consumption through co-operative societies in the districts of Tirunelveli and in the three taluks of Ramnad, Mudukulattur and Srivilliputtur in the Ramnad district in view of the peculiar conditions obtaining in these districts and the great demand for it as beverage. In order to improve the palm *gur* industry and introduce it in areas, where the tappers are not quite familiar with it, Government have sanctioned a post of a Pam Gur Organiser. To assist him in the work, 25 Palm Gur Instructors have been recruited and they are now undergoing the necessary training in the Central Palm Gur Training School, Government of India, Cuddalore. After these instructors are trained in improved production of *gur*, they will work in the districts and train the ex-tappers in the production of jaggery by improved methods and at a lower cost, if possible. Besides the formation of jaggery manufacturing societies, steps to settle them in other walks of life are also taken such as employment as gang-coolies, as unskilled labourers in the departments under the control of the P.W.D. and in other establishments, as peons, chowkidars, etc., in the Civil Supplies Department, etc. These—tappers are

also advised to register themselves with the respective Employment Exchanges so that they may be assisted to get suitable jobs. In the new 9 prohibition districts, about 10,320 ex-tappers have thus been provided with work in other avocations, while in the remaining other districts the number provided in this way is about 26,500.

Besides jaggery societies, other types of societies are also organised to provide work to the ex-tappers such as Milk Supply societies, Cottage Industries Societies, Land Colonisation Societies, Field Labourers Societies, Societies for coir work and Poultry Farming Societies. 122 Milk Supply Societies and 8 Milk Supply Unions have been formed under the ameliorative scheme. There were 5,031 members in the Milk Supply Societies consisting of ex-tappers, ex-addicts and others with a paid-up share capital of Rs. 79,208 at the end of June 1949. Government have provided subsidy and staff for supervision to these societies besides interest-free loans for purchase of milch animals.

There were 4 Land Colonisation Co-operative Societies, 37 Cottage Industries Societies, 25 Tenants' Societies, 3 Labour Contract Societies and 19 other types of societies at the close of June 1949 with 938 ex-tappers, 913 ex-addicts and 1313 others as members with a paid-up share capital of Rs. 1,49,046. Government have provided these societies also with subsidy and staff, wherever necessary. The question of leasing out lanka lands without auction to the ex-tappers in the districts of East and West Godavari, Krishna and Guntur for cultivation purposes is also under consideration. In the Trichinopoly district, the question of assigning the available lands to the ex-tappers there is being examined. Government have sanctioned a sum of Rs. 4,732-8-0 for conducting demonstration in hand-spinning for the benefit of ex-tappers and ex-addicts in 5 centres in the Madras City. The demonstration is being conducted at three centres at present. After completing the training, the trainees are admitted as members of the Madras Khadi Development Co-operative Society and encouraged to pursue the industry.

As a result of the formation of co-operative societies and other measures taken, the problem of resettlement of ex-tappers in the districts has been effectively tackled. The question of unemployment among them cannot be said to exist now in any acute form. Though the ex-tappers are generally reluctant to take to hard manual labour and on this account the provision of employment

to them is rendered difficult, everything possible is being done to assist them to find suitable employment.

Rural Uplift:—The Indian village is at present a dull spot devoid of all amenities of life. It has nothing to excite, amuse or or beguile and this has been mostly responsible for the drink habit among the people. Alongside of the closure of shops the spearhead of work on the social front must be the improvement of the environment of the poorer classes in the villages. The ameliorative activities in the villages have to be planned in a manner calculated to evoke a spirit of self-reliance and mutual confidence among the villagers. To achieve this object, Village Betterment Committees or Gramasanghams are formed in the villages under the ameliorative programme to promote rural uplift activities on a voluntary basis. These Gramasanghams organise rural sanitation, street-cleaning, road-laying, sinking of wells for drinking water, opening of schools, libraries and reading rooms, better communications, introduction of better seeds and manure and implements and encouragement of subsidiary industries etc. On 31-8-1949, there were 12,937 Gramasanghams in the Province of which 4,596 were active. Rural credit societies have also been encouraged to take up rural uplift and social work by making suitable provision in their bylaws. 1,397 societies have amended their by-laws in this behalf so far. Government have recognised Gramasanghams as being eligible for library grants and have relaxed certain conditions governing such grants in favour of the Gramasanghams. They have sanctioned library grants amounting to Rs. 26,200 during 1948-49 to 262 Gramasangham at the rate of Rs. 100 each. Besides this, an annual grant of Rs. 100 has also been sanctioned to 27 Gramasanghams towards library grants. To enable Gramasanghams to undertake social and rural uplift work as corporate bodies, Government have permitted their registration under the Societies Registration Act, 1860, and reduced the registration fee for the purpose from Rs. 50 to Rs. 5. Gramasanghams also put up community centres to serve as a common place for the villagers to meet and conduct social and recreational activities. 32 Gramasanghams have so far undertaken construction of community centres. The general question of sanction of subsidies to Gramasanghams to the extent of 50 per cent of the cost of the community buildings put up by them is under the consideration of Government. A subsidy of Rs. 3,000 has so far been sanctioned by Government to Gramasanghams, one in each of the Chittoor and South Kanara Districts.

Co-operative societies are also pressed into the service for rural uplift work. Government have sanctioned a province-wide scheme for the re-organisation and intensive supervision of rural credit societies and have placed a sum of Rs. 1.30 lakhs per year for a period of two years at the disposal of the Registrar to be given as subsidies to Central Banks to enable them to employ the necessary additional supervisory staff to implement the scheme. The extra activities undertaken by the Societies under the scheme include supply of domestic and agricultural requirements like seed, manure, and implements, grant of loans on the pledge of produce, marketing of produce, collection and sale of milk, promotion of thrift through hundi boxes, introduction of cottage industries and undertaking of social and recreational activities. Government have sanctioned a sum of Rs. 5 lakhs for the year 1949-50 to be given as subsidies to rural credit societies for putting up godowns. Rural credit societies also undertake construction of village hall-cum-godowns to serve the double purpose of godown and community centre. Special attention is paid to the development of co-operative activities in the Select Pirkas and Centres including the formation of multipurpose co-operative societies in select areas.

Promotion of thrift:—The promotion of thrift forms a vital part of the Prohibition scheme. Steps have been taken to institute a general savings drive among the people through homesafe and hundi boxes so that the object of Prohibition, which is the economic advancement of the masses, might be achieved and that the money saved as a result of Prohibition is not wasted by the ex-addicts. Hundi boxes are distributed to the members of the societies and thrift days celebrated as frequently as possible. So far 32,583 hundi boxes have been distributed and savings to the extent of Rs. 3.24 lakhs have been effected through them. Investment in National Savings is also encouraged.

Harijan Welfare:—An important item of ameliorative work is the promotion of Harijan Welfare. Harijans need considerable attention in the matter of housing and provision of subsidiary occupation. House site and Cottage Industries Societies are, therefore organised for their benefit, wherever possible, and Harijan Days are celebrated to focus attention on Harijan welfare.

Recreational Activities:—To divert the minds of the ex-addicts from the drink habit and to make rural life happy, entertainments and games of various kinds are organised by the ameliorative staff in

the villages. With a view to encourage local histrionic talent in preference to professionals from outside, Government have sanctioned subsidies at the rate of Rs. 25 per performance to deserving rural dramatic troupes for staging dramas. During 1949-50, they placed a lump sum of Rs. 12,000 at the disposal of the Registrar of Co-operative Societies for the purpose. Government have provided each district except the new 9 districts with a Propaganda van with cinema equipment, public address system, gramophones, etc., to carry on propaganda and to entertain the villagers. Films, on Prohibition and other films are being exhibited in the districts for entertaining the villagers. Government sanctioned the recording of songs on Prohibition in Telugu, Kanarese and Tamil and the purchase of records for distribution to the districts at a cost of Rs. 2,300. Slides on Prohibition are prepared for being exhibited through magic lanterns. Local bodies, public and Co-operative organisations are encouraged to install radio sets. On the abolition of the late Publicity Department, Government ordered that the radio sets belonging to that department should be allotted to the Prohibition districts. 31 Radio sets have accordingly been ordered to be installed in 14 of the Prohibition districts and so far 25 sets—8 battery and 17 main—have been installed in the districts.

Conclusion:—The ameliorative measures represent the constructive side of the Prohibition programme and the scope of ameliorative work is vast as well as varied. While the record of work done so far is by no means discouraging, much more remains to be done; and substantial results cannot be obtained also without public co-operation. In fact the success of the ameliorative measures will depend on the measure of co-operation from the public even more than any financial assistance from Government. Prohibition has provided to the Social Workers a splendid opportunity to do service to their fellowmen in various ways. Their co-operation in the ameliorative activities of the Government will be very valuable. They can direct their efforts to the formation of voluntary organizations to provide social and recreational amenities to the ex-addicts and harness the opportunity for a general rural progress. It, therefore, behoves one and all of us to do our mite to make the cause of Prohibition a great success.

The Visakhapatnam District Co-operative Motor Transport Society for Ex-servicemen, Ltd.

Services rendered by the Society during the period of Cyclone

During the cyclonic weather in Andhradesa under instructions from the Collector of Visakhapatnam on the 29th October 1949, the Secretary, the drivers and cleaners of the Visakhapatnam District Co-operative Motor Transport Society for Ex-servicemen gathered and waited for danger message with a view to place the vehicles for urgent flood rescue work at Anakapalli. On receipt of the message from the Collector that Anakapalli was in a dangerous situation on account of heavy floods and that the society should place three lorries for relief work, three lorries went to Scindia Company and took up a boat and life belts and proceeded to Anakapalli.

2. The society placed another set of three vehicles for relief work at Visakhapatnam as Velampeta was submerged under water. Families which were affected by the floods were evacuated on the vehicles.

3. On account of heavy breaches on the railway lines the Superintendent of Post Offices (R.M.S.) approached the society for conveying postal tappals from Annaram railway station to Visakhapatnam Town which is about 73 miles. The society responded to the call of the postal authorities and placed two lorries for conveying the postal bags which were huge in number due to the accumulation at both ends. The society successfully carried out this special work till 8-11-49 and won the appreciation of the Postal authorities.

4. A very important work, viz., the movement of food grains from Vizianagaram to Anakapalli was entrusted to the society, as movement was obstructed by the dislocation of through running of the trains. The lorries of the society moved 100 tons of foodgrains from Visakhapatnam to Anakapalli.

The Madras District Co-operative Central Bank, Ltd.

52-53, Thambu Chetty Street, Madras 1.

ESTD. 1930

TELEPHONE NO. 2384.

Authorised Capital ...

Rs. 5 lakhs.

Working Capital ...

Rs. 35 "

All kinds of deposits accepted.

Rates of Interest:—

Current Deposit $\frac{1}{2}$ % Savings Deposits 2 %

Fixed Deposits:—For 1 year 3 % For 2 years and above $3\frac{1}{4}$ %

Further particulars can be had from the undersigned:

B. S. VIJAYAGOPAL, B.A., B. COM.

Secretary.

Agricultural Co-operative Farming Society at Nelvoy

AN INTERESTING EXPERIMENT IN FARMING

An Agricultural Co-operative Farming Society has recently been started in the village of Nelvoy, Madurantakam taluk, Chingleput district. It is a novel experiment in co-operative farming. The society took over on a long-term lease of 20 years about 400 acres of land from the *pattadars* some of whom are absentee land-owners and has distributed part of this land in suitable plots among 50 local landless agricultural labourers and *Harijans* who are all admitted as members of the Society. Government have given them all the concessions to which Land Colonisation Co-operative Societies are eligible, namely, grant of Rs. 10 towards share capital of each member, subsidies for free supply of seed and manures, a five year interest-free loan of Rs. 25 per acre for reclamation, a fifteen-year interest-free loan for agricultural implements, a half grant of Rs. 125 and an interest-free loan of Rs. 125—in all Rs. 250—towards the purchase of a pair of bulls for each member, *etc.* Subsidies amounting to Rs. 8,700 and loans amounting to Rs. 11,500 are being distributed to the members for the purposes mentioned above. The society proposes to admit another 30 landless poor and *Harijans*, divide the land into economic holdings and thus make an equitable distribution of all the land amongst eighty men. A reasonable lease amount is fixed and collected from the members with reference to all relevant local conditions and after reserving a portion of it for working expenses, *etc.*, the society pays rent to the land owners.

The Joint Registrar of Co-operative Societies, Sri K. Subrahmanyam, visited the society recently and had discussions with the Deputy Registrar, Chingleput, and the Directors of the Society on the future line of its development and the problems facing it. As it is, there is a rain-fed tank, which in normal seasons, can supply water for about 150 acres. The rest of the area is either dry or has been kept fallow. On one side of the Society's lands, there is a perennial *madugu* (pool) and on the other side, there is the river Palar. It is proposed to instal five pumps to bale out water from the river and the perennial *madugu* and to supply water for 230 acres to enable the members to raise two crops in a year. The soil conditions are good and vegetables, onions, plaintains, *etc.*, can also be grown with the ample provision of water supply now proposed. In view of the large grazing area available round about the village, it is proposed to encourage dairying and sheep farming as subsidiary occupations so as to provide supplemental income to the members and to raise their living standards. Government are being approached for subsidies and loans to enable the Society to implement the proposals.

Multipurpose Co-operative Activities in the Province

[Readers are well aware that the chief feature of Co-operative Development in Madras as in some other parts of the country is the re-organisation of rural credit societies as multipurpose co-operatives. Fairly brisk work is seen in this direction in all the districts. With a view to acquaint the public with the progress of the work in this direction, we propose to publish periodically in these pages notes on the working of some rural credit societies which have taken up multipurpose activities. The first note is on the progress in Chittoor district published in our September 1949 issue.—*Editors.*]

The Paravakottai Co-operative Credit Society

The Paravakottai Co-operative Credit Society in Mannargudi Taluk was registered on 7-12-46 and started on its work on 23-12-46. Its area of operations is confined to Rajasambalpuram and Paravakottai Villages. It is affiliated to the Mannargudi Co-operative Supervising Union and financed by the Tanjore Central Bank. There are at present 689 members with a paid up share capital of Rs. 10,423. Besides credit activities it has undertaken the following other kinds of activities:—(i) Sale of Mill cloth (ii) Financing mat weaving by its members (iii) Promotion of Thrift and (iv) Social and Recreational activities. The work done under each item is given below:—

(i) *Cloth Trade*:—A cloth section was opened on 19-10-48 and mill cloth to the value of Rs. 19,593-5-2 was purchased. The total sales of mill cloth amounted to Rs. 17,460-12-8 leaving a stock to the value of Rs. 2,931-5-11. The society earned in cloth section a profit of Rs. 159-7-4 in 48-49 and Rs. 130 till 30-11-1949.

(ii) *Mat weaving*:—The society encouraged cottage industries undertaken by members by issuing Rs. 580 as loans to 29 members for the production of Mats. For the present it confined to finance the mat industry. The members produce mats and they themselves make their own arrangements for marketing them. They sell the mats at local and neighbouring shandies. The society has been advised to pool the entire production and market the same at more favourable rates to their members. The Panchayatdars have agreed to give effect to this suggestion for the current month.

(iii) *Promotion of Thrift*:—The society has distributed 10 Hundi boxes to the poor members who have so far saved Rs. 258-2-0. It has been advised to distribute Hundi boxes to all the members.

(iv) *Social and recreational activities*:—The society has elected an ameliorative committee on 23-9-49. 102 members have so far been

enrolled by this committee. Annual subscription at the rate of annas 8 is levied from each member. It has collected a donation of Rs. 605 from the residents of the village and remitted Rs. 650 towards the cost of a Battery operated Radio set on 10-10-49 and its application for early installation and for free maintenance in the first year was submitted to Registrar for sanction on 18-10-1949. The committee maintains a library and it was recommended a grant of Rs. 40 for 1949-50, and on 25-11-1949 the Deputy Commissioner of Prohibition (Amelioration) arranged for the revival of the adult night school formerly run by the village committee and given up for lack of funds. The District Educational Officer, Tanjore has promised to give subsidy for remunerating the trained teacher and then making the subsequent changes.

The Moorthiambalpuram Rural Credit Society, Tanjore Taluk

The Moorthiambalpuram Co-operative Credit Society was registered on 11-8-47 and started on its work on 13-3-47. The area of its operations is confined to 2 adjacent villages viz. Moorthiambalpuram and Neivasal-Thenpathi. It is affiliated to Tanjore Co-operative Supervising Union and financed by the Tanjore Co-operative Central Bank. On 30-11-49, it had 397 members with a paid up share capital of Rs. 10,114. Its maximum credit limit has been raised from Rs. 70,000 to Rs. 1,20,000 on 27-8-49. Its borrowings from the Tanjore Central Bank amounted to Rs. 1,09,195-3-6 on 30-11-1949 while the outstanding against 387 of its members amounted to Rs. 1,13,851. Besides advancing loans for cultivation and other purposes, it advanced loans to its members on the pledge of their produce viz., paddy. During 48-49 such advances amounted to Rs. 41,469. Out of this Rs. 13,828 is now outstanding.

2. The society has also undertaken the following non-credit activities (a) Sale of Mill and Handloom cloth and (b) Purchase and sales of groundnut cakes and manures. The business done under these items is given below:—

(i) *Cloth*:—The society commenced retail sale of mill cloth and Handloom cloth on 14-7-49. So far it purchased mill cloth to the value of Rs. 13,584-7-10, and sold to the members and others to the value of Rs. 8,591-4-8. It had a stock to the value of Rs. 5,772 on 30-11-49.

(ii) *Manure*:—The society purchased 160 bags of ground nut cakes to the value of Rs. 1,066-6-6 and 80 bags of Cauvery Brand chemical manure for Rs. 1,194-10-0 on 4-10-49 for sale to its members and others.

The society has a paid staff of a clerk, salesman and a peon costing Rs. 55 a month. It proposes to purchase and distribute agricultural implements also.

The society is being run by an enthusiastic and efficient Panchayat. It is working at a profit ever since its inception. The construction of the

godown for which it applied for a Government loan and a Government subsidy will greatly assist it in being beneficial to the villagers.

Uttara Brahmanapalle Rural Co-operative Credit Society (Chittoor District)

Introductory.—

The Uttara Brahmanapalle co-operative credit society in Chittoor taluk was registered as an agricultural credit society on unlimited liability basis, as No. U. 259 on 30-1-1925 and started on work on 23-5-1925. It will complete 25 years of its working by May next year. It has, on date 55 members on its rolls and a paid up share capital of Rs. 561. The society has invested sums of Rs. 500 under shares and Rs. 424-12-0 under Reserve Fund in the District Co-operative Central Bank and Rs. 14 under shares in the Chittoor Loan and Sale Co-operative Society. The maximum borrowing power of the society is Rs. 15,000 and the individual borrowing power fixed in the bylaws is Rs. 1,000. An amount of Rs. 5,360 is outstanding, on date, under members loans, given for the clearance of petty debts, and for cultivation expenses of the members. None of the loans due from members is overdue. An amount of Rs. 5,433 is due by the society to the financing bank, of which nothing is overdue.

Multipurpose activities undertaken by the society.—

At the instance of the ameliorative staff, the society adopted on 17-4-1949 bylaws relating to multipurpose objects and social and recreational activities suggested by the Registrar, and immediately took up implementing some of them. An ameliorative sub-committee composed of local co-operative workers was formed, the same day, to implement the bylaw.

The village library started on 25-4-1948 run by the local *gramasangham* was taken over by the committee. The library has 243 books and is subscribing for a Telugu Daily and for the fortnightly Telugu version of the 'Madras Information'. It obtained a grant of Rs. 100 during the year 1948-49 and has been recommended for a similar grant for the current year also.

The society was allotted 60 bags of groundnut oil cake costing Rs. 639-14-0 by the Chittoor Co-operative Marketing society in June '49. The society distributed them among 13 of its members, who used them as manure for 25 acres 50 cents of paddy cultivation.

The society has implemented its multipurpose object of marketing of agricultural produce also by undertaking to market the sugarcane produce of its members, to their best advantage, through the marketing society to which the society is affiliated. 9 loans amounting to Rs. 1,000 have been disbursed to members under the controlled credit scheme for cultivation expenses of their sugarcane crop. About 32 bags of cane jaggery is expected to be marketed through the society in February 1950.

The ameliorative sub-committee of the society took active part in the tree planting week inaugurated by the Collector in August '49, and arranged for the planting of 25 trees in the local school compound. The trees are being well looked after, and are coming up nicely.

The society is gradually implementing multipurpose objects, one by one, and expects, ere long, to become a full fledged multipurpose rural co-operative credit society.

Rehabilitation of Ex-tappers in the Districts

[This note on the Krishna District is the fifth in the series begun in October 1949. The progress in Madura, East Godavari, West Godavari, and Bellary districts have already been published. The notes on the progress in other districts also will be published in due course—*Editors.*]

Progress in the Krishna District

As a result of the introduction of Prohibition in Krishna District along with the other Districts from 2-10-48 about 1,000 *Gowdas* (Ex-tappers) of the District were thrown out of employment. Ever since that time the economic life of these ex-tappers became deplorable and they were struggling hard for their livelihood. Though some took up agricultural labour lands were not available for them for cultivation with a view to ameliorate their economic conditions and to keep them engaged in their Agricultural operations field labourers co-operative societies exclusively for their benefit have been organised and started and the Government waste lands are being got. Such type of field labourers' co-operative societies exclusively for their benefit have been organised and started and the Government waste lands are being got. Such type of field labourers' co-operative societies played an important role in relieving their distress considerably. 12 field labourers' co-operative societies were registered and started on their respective work so far in the District. Of these 12, two societies viz., Pedatumudi Field labourers' co-operative society and Vutukur Field labourers' co-operative society applied each for the assignment of about 360 acres of waste land in Vyvaka area of Kaikalur taluk. Got to be assigned or leased out to these ex-tappers, by the Revenue authorities. In consultation with the District Collector, Revenue Divisional Officer, Gudivada and Thasildar, Kaikalur proper distribution of this land measuring about 360 acres among the ex-tappers was arranged by amicable settlement between the members of these two societies by the ameliorative staff. As a result of this arrangement 230 *Gowdas* were provided for with land and employment in spite of much complication for the acquisition of this land.

It can be said therefore that the *Gowdas* of both the afore said Villages are now well off economically and morally.

The Collector, Krishna with a view to assign waste lands and compact blocks to ex-servicemen ex-toddy tappers and *Harijans* through field labourers co-operative societies and with a view that the new assignees should be put in good time for cultivation next fasli, has arranged that Revenue Divisional Officers, Bandar and Gudivada should confer with the special Development Officer, Assistant Engineer Public Works Department concerned and the Tahsildar for the purpose. According to this arrangement the Assistant Engineer will state what area will eventually be commended by various irrigation extension schemes and be divided up in

blocks between the Field labourers Co-operative Societies who apply for them.

Progress in South Arcot District

The Drink Evil was a public menace. The success of the Prohibition scheme depends on the successful amelioration of the condition of the ex-addicts and tappers. This service had been entrusted to the Co-operative movement in Madras. Hence, some of the societies were selected in the district to sponsor the various Nation-Building Activities. These Credit Societies played a prominent part in providing Counter-attraction programme through games, sports, folk-dances, *bhajans*, dramas, etc. These activities give a chance to the people to usefully spend their leisure, to give up their anti-social habits, to bridge the communal difference, to generate social happiness and a spirit of Citizenship in Free India. At Anguchettipalayam Co-operative Society a variety of games are played daily, which thrill the spectators every evening. A public Radio had been installed. Many societies have opened Reading-rooms; hold Bhajanas every week, and conduct Kalakshepams and dramas frequently. By attending to the needs in Education, Sanitation and Co-operation, they strive to build a better society. At Anguchettipalayam, and Tiruppapuliur (Market-cheri) Adult Literary Schools are functioning. Libraries were opened at Anguchettipalayam, Market-cheri, Manjakollai, and Tiruvathigai.

Through the introduction of multipurpose activities, some of the societies are catering to the Members and the public for their domestic and agricultural needs, such as textiles, groceries, foodgrains, matches, paper, kerosene, seed, manure, etc. The habit of Thrift is promoted through Hundi Schemes. As social Welfare Projects, leper clinics were opened through the initiative of the local credit societies at Semmedu and Veeraperumanellore. Thus, if the Rural Credit Societies function well, they can contribute for social Happiness, Economic Security and help as suitable agents for the noble cause of Prohibition.

The George Town Co-operative Credit Society, Ltd., No. 8512

29, Krishnappa Naicken Agraharam Street, G. T. Madras.

(REGISTERED IN 1923.)

All Banking facilities are afforded to Members and Constituents of the Society. Fixed Deposits are accepted for one year at 4½ per cent interest.

There are 3,000 subscribers who contribute towards Monthly Savings Scheme, which runs for 84 months.

The Loan Transactions of the Society—Simple, Jewel, Mortgage and Surety loans—exceed Rs. 18 lakhs.

P. NATESAN, M.B., B.S.,
President.

Letters to the Editor

Co-operative Assistance—Eligibility

Sir,

In the Editorial Notes of the September issue of your Journal appeared the question "who is the poor man whom the Co-operative Institutions should succour by giving special facilities". In this connection has been cited the opinion expressed by the Registrar that there are two sections among the poor—(i) Those who are totally unable to save anything out of their earnings and (ii) Those who have a surplus budget but are still unable to pay full instalments due by them towards loans. The former class has been ruled out by the Registrar as ineligible for assistance through Co-operative Societies. He directs them to the charitable institutions.

Co-operation has been claimed to be the only form of organisation from which the poor can derive a lasting advantage. If co-operation finds that the condition of any class of poor people is not ameliorable then co-operation is a sorry remedy for human distress. Charity is only a temporary palliative; as such, charitable institutions cannot be expected to improve the economic lot of the poor. Charitable institutions, like hospitable individuals, do not make an attempt to see that the position of the poor man so improves that he will not be in need of charity again.

It may then be asked whether a co-operative society should dole out money to persons without any repaying capacity and become unbusinesslike in its dealings. This is not my suggestion. A co-operative institution should necessarily conform to all business principles. "Co-operation is a more profitable way of doing *business* collectively than the old way of every man for himself. If co-operation is to be successful, it must be built on a *business* and not on a *sentimental* basis. The sentiment will come later and will help to maintain the co-operative scheme. But sentiment will ruin Co-operation if allowed to dominate the business aspect."

Then naturally arises the question how the poor man of the first category can be given any assistance by a co-operative society. If money lending alone is considered to be the object of a co-operative society, then as the Registrar says this poor man may be ineligible for assistance. We cannot forget that money lending is not after all the primary object of a society. The aim of co-operation is to find out means of improving the economic lot of the poor man. If he is given credit, that credit should not be meant for immediate consumption. The borrower must be enabled to use the money for a productive purpose which will make him economically better than what he was. A co-operative society should not merely look to the soundness of the parties seeking its help but also attempt to make the unsound parties sound. As Wolfe remarks, "What the Society seeks to secure is a select clientele elected for their presumable trustworthiness."

Thus we see that the material status of the man is not so important as his character. That should be considered in the matter of his eligibility for assistance through a co-operative society. Further, we cannot expect a member to have the repaying capacity, *etc.*, even before he is admitted and given assistance by the co-operative society. In the first instance, it must be ascertained whether he is a man of character. The capacity to repay the loan after all is not so important as the willingness to repay. If a person has the repaying consciousness then certainly he will be forced to practice certain habits of thrift and thus save some amount to meet the instalments. However, care will have to be taken to see that when a poor man is given any assistance by a society he would not be in the same status even after he obtains the assistance of the society. To this end the societies should direct their activities. Of course, to achieve this end, the management of the society must have a close vigilance over the borrowers' conduct. Loans should be granted only for purposes which enable the poor man to better his economic status. The management will have to watch and see whether the borrower spends the amount for the purpose for which it is sanctioned. These are some of the factors which almost all people connected with co-operation are very well aware of, theoretically. In practice we find that when a person is sanctioned a loan, the management never bothers to find out whether that particular borrower is making his position better than before by utilising the loan amount. The borrowers' conduct should be supervised not merely for the sake of getting back the loan amount but also with an interest to elevate his economic position. This should be the true attitude of co-operation. Here exactly co-operative lending differs from joint stock bank lending on material securities. The latter type of bank is only interested in getting back its loan amount failing which the material securities are auctioned. But the former should be interested in the welfare of the members. In the words of C. R. Fay, "The superiority of the personal pledge over any material form of security is that it lends itself to supervision of the borrowers' conduct." And co-operative societies do sanction many loans without securities. But the societies should not forget to supervise the borrowers' conduct if they are really interested in their welfare and uplift.

Experience must have shown the reasons why the small societies intended for the poorer and lower strata of the society in the City have not been functioning successfully. The unsuccessful working of these societies should be mostly attributed to the inefficiency of the managements rather than the quality of members. While sanctioning the loans, the purposes of the loan have not been scrutinised and there has been no supervision by the management over the borrowers' use of the loan amount as well as their conduct. In many cases, monthly repayment has not been insisted on. Most of the Directors are themselves defaulters; as such it is not possible to expect them to take action against those who default. In several cases, it has been

observed that the principal amounts disbursed 10 or 15 years ago still remain the same though now and then small amounts have been paid by the concerned borrower which would have been credited towards interest that would have then become overdue. In this way, there may be certain cases where the interest paid either equals or exceeds the principal amount. This position arises because of the neglect of the prompt monthly repayments. The very fact that a small sum of Rs. 100 or Rs. 200 is not repaid even after a period of 10 or 15 years clearly shows that this state of affairs is not due entirely to the poverty of the members but also due to want of character on the part of the members and efficiency on the part of the management. If the management works properly with the primary object of elevating the economic status of the poor, it is not impossible to assist any kind of poor man through the co-operative societies. Only those who are imbued with a spirit of service to the poor could serve efficiently on the managements of these societies and not those who take to it for the glamour of cheap popularity and name. It is, therefore, my humble opinion that no section of the poor people should be declared ineligible for assistance through co-operative societies. To set aside certain victims of miserable circumstances from the popular movement instead of finding out a solution for relieving them, is really unjust. And we cannot forget that "Co-operation," as Luzzatti says, "was never, and ought never to be, the monopoly of any school, of any sect, of any party, but it ought, like the light of the sun, to shine upon the heads of *all* miserable mortals."

B. S. VIJAYAGOPAL, B.A., B.COM.,
Secretary, Madras Dist. Co-op. Central Bank, Ltd.

Distribution of Iron and Steel.

Sir,

"Iron and steel" denotes, cart tyres, axles, rounds, flats, plates, sheets, *etc.*, that are manufactured in the mills and distributed as they are. Old iron and rejected steel, *etc.*, are fabricated into agricultural implements and they are called fabricated articles. Both these categories are under "control". During the war period, the iron merchants by combination raised the price of iron and steel to more than 500 per cent and most of the articles went underground. Only at this critical juncture control was thought of and in Madras the co-operative marketing societies have been asked to take up distribution of cart tyres, axles, and other agricultural implements. The distribution was very satisfactory and equitable; so much so the then Registrar of Co-operative Societies, Mr. W.R.S. Sathianathan, after inspecting the societies recommended strongly to allow the societies to distribute iron and steel and fabricated implements. But the Government of Madras thought it better to open agricultural depots in every nook and corner and stock iron and steel, fabricated implements, seeds and manures for distribution to ryots in the surrounding villages. Each depot had a depot-keeper,

a clerk, a watchman and to supervise these was the main duty of the Agricultural Demonstrator of the area. The Government invested a large amount in these transactions and incurred a heavy recurring expenditure, having been left in charge of different depot keepers, the articles that were being sold in black market. For five times the actual price. Complaints could not therefore be avoided.

Hence the Government thought it necessary to transfer the function of distributing these stocks to the co-operative marketing societies and the Registrar of Co-operative Societies and the Director of Agriculture called for a conference of the Marketing Societies for consulting and drawing measures to transfer the stock with the Agricultural Department to Marketing societies gradually. To begin with, oil cakes and fabricated articles, iron and steel and the scientific manures and seeds were proposed to be transferred. Consideration of this subject dragged on for months and finally the Madras Government ordered the transfer of oil cakes manures to the Marketing societies and asked them to open depots wherever the Agricultural Department had their own. In a few months the control on groundnut cakes was removed. Then the Government wanted the Marketing society to purchase the entire stock of fabricated iron articles with the Agricultural Department within a prescribed date, and the Registrar asked the societies to take transfer of the stocks. But almost every where the implements in stock were found not saleable at the rate at which they are priced since they were not used in those parts. So societies were not willing to take delivery unless they were transferred on consignment basis. As for the iron and steel, the Madras Government, in their order, stated that they could not transfer the stock of iron and steel with the Agricultural Department to marketing societies as the Director of Controlled Commodities of the Central Government has refused to issue stockist licence to co-operative societies.

The marketing societies and wholesale stores then applied to the Director of Controlled Commodities to issue licence for dealing in iron and steel and also allot their requirements from the manufacturers. The application to this effect was also made to the local Government. The Joint Director of Agriculture has sent a communication that the matter of transferring the distribution of iron and steel from the Agricultural Department to the co-operative marketing societies is under consideration. But the Director of Controlled commodities has written to the Provincial Marketing Society that licence could not be issued to co-operative societies since the distribution is to be made only through usual trade channels by issuing stockist licence. Let us consider our position and our relations with the Government so far as this matter is concerned. Wherever there is a black market and a lot of exploitation by merchants and other dealers, the co-operative societies are asked to undertake distribution at the narrowest margin and to do public service. In the case of textiles, in the case

of procuring food grains, distribution of controlled articles and the yarn the co-operative societies are asked to take them up inspite of enormous handicaps. The Central Government and all Provincial Governments are always announcing that the black market could be combated only by entrusting the distribution solely to co-operative institutions. The President of the Madras Provincial Co-operative Conference held on 31-12-49 quoted in his Presidential Address three resolutions of the Lucknow Conference to the effect that the co-operative societies should be used for all purposes of commercial undertakings and distribution of commodities to the people at large.

We are not able to understand the order of the Director of Controlled Articles referred to above saying that the usual trade channels should be used for the distribution of iron and steel in preference to co-operative institutions. If there is free trade in iron and steel and the controls are removed, the co-operative institutions may be able to deal in iron and steel as others will do. Control has been imposed because of the black market created by the iron dealers, and we are told that stockists licence are issued only to the usual trade channels. After all a stockist licence is given only to one or two in a place where there are more than two dozen iron traders. What about the others who are not given stockist licences and who form part of trade channels? Is this not giving monopoly to a single individual to exploit the others?

Co-operative societies are asked to take up all sides of multipurpose activities and yet we are told we will not get at least the equal treatment with the other traders at the hands of this National Government.

A resolution to allow the Co-operative Marketing societies to deal in iron and steel and to issue stockists licence to them was passed in the Madras Provincial Co-operative Conference unanimously and we hope the Provincial Co-operative Union will take up this case and approach the Central Government for the grant of a licence and necessary allotment so that the Agriculturists of this country have fair and equitable distribution of iron and steel to co-operative societies.

M. S. SESHACHALA IYER,
Secretary, The Co-operative Marketing
Society, Tiruvannamalai.

G. O.'s and Circulars

Copy of the G.O.Ms. No. 5706 Development Department
Dated 30th November 1949.

Sub:—Co-operative Societies—Land Mortgage Banks—Central Land Mortgage Bank—Debentures—Government guarantee—Increase from Rs. 450 lakhs to Rs. 550 lakhs—Sanctioned.

Read:—G.O. (Ms.) No. 6335, Development, dated 23-12-1948. Letter from the Registrar of Co-operative Societies No. R.C. 67200/49-J dated 24-5-1949. No. R.C. 67200/49-J dated 8-9-1949.

ORDER:

The following notification will be published in the Fort St. George Gazette:—

NOTIFICATION:

Whereas in Development Notification No. 15 dated the 23rd December 1948, published at pages 3-4 of part I of the Fort St. George Gazette, dated the 4th January 1949 the maximum amount of guarantee given by the Government of Madras in respect of the debentures issued by the Madras Co-operative Central Land Mortgage Bank Limited, exclusive of such debentures as the said Bank might from time to time redeem, was increased to a total value of Rs. 450 lakhs;

And whereas it is considered desirable to further increase the maximum amount of guarantee and for this purpose the Provincial Government have consulted both the Chambers of the Madras Legislature;

Now, therefore, in exercise of the powers conferred by section 6 (2) of the Madras Co-operative Land Mortgage Banks Act, 1934, (Madras Act X of 1934) His Excellency the Governor of Madras hereby increases the maximum amount of guarantee in respect of debentures issued by the Madras Co-operative Central Land Mortgage Bank Limited (other than the debentures which the said Bank may from time to time redeem) upto a total face value of Rs. 550 lakhs (Rupees five hundred and fifty lakhs), subject to the following conditions; namely:—

(i) the debentures issued by the said Bank shall not in any case be for periods exceeding 25 years from the date of their issue; and

(ii) the interest on such debentures shall not exceed 5 per cent per annum.

Note:—There is no objection to the inclusion of the terms of this further guarantee in the debentures to be issued by the said Bank, which satisfy the foregoing conditions.

True Copy

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES, MADRAS.
Dated 8-12-49.

Endorsement R.C. 67200/49 J

Copy communicated.

J. C. RYAN,
Registrar.

G.O.'S. AND CIRCULARS

Copy of G. O. Ms. No. 5700, dated 30th November 1949
(DEVELOPMENT DEPARTMENT.)

Acts and Rules—Co-operative Societies Act—Students Stationery Co-operative Stores—Exemption from section 36 of the Co-operative Societies Act and Rules XII (a) (v) and retrospective effect to amendment to By-laws to certain societies—granted.

Read the following:—

From the Director of Public Instruction No. 2121 E. 3/47, dated 2-3-1948.

From the Registrar of Co-operative Societies letter No. 7172/47-S. 1. dated 23-9-1948.

From the Registrar of Co-operative Societies letter No. 7172/47-S. 1. dated 2-7-1949.

ORDER:—

In exercise of the powers conferred by section 60 of the Madras Co-operative Societies Act, 1932, (Madras Act VI of 1932) His Excellency the Governor of Madras hereby

(1) exempts all the Students' Stationery Co-operative Stores in the Province of Madras from the Provisions of Section 36 of the said Act and clause (V) of the first proviso to rule XII (a) of the rules made under the said Act so as to enable them to carry the balance of their profits, without any limit, after meeting their obligatory contributions such as those to the statutory reserve and payment of dividend, to any scholarship fund or poor boys' fund or to utilize them for other educational or charitable purposes, and

(2) directs that the provisions of section 12 of the said Act shall apply to the four Students' Stationery Co-operative Stores mentioned in Annexure to this order as if the following proviso had been added to sub-section (1) of the said section 12 namely:—

"Provided that the Registrar, may register with retrospective effect an amendment to the bylaws of Students' Stationery Co-operative Stores mentioned in the Annexure to G. O. No. 5700 Development dated 30-11-1949 so as to enable them to carry the balance of their profits, without any limit, with effect from the period shown against each stores in the said annexure after meeting their obligatory contributions such as those to the statutory reserve, and payment of dividend to any scholarship fund or poor boys' fund or to utilize them for other educational or charitable purposes.

ANNEXURE.

Names of the Students' Stationery Stores.		Year from which profit may be carried to scholarship fund etc.
1. Government Arts College Students' Co-operative Stores, Rajahmundry	...	from 1944-45.
2. The Government Victoria College Students' Co-operative Stores, Palghat	...	from 1943-44.
3. The Ceded Districts College Students' Co-operative Stores, Anantapur	...	from 1938-39.
4. Kanara High School Students' Co-operative Society	...	from 1942-43.

(True Copy)

Memorandum of the Registrar of Co-operative Societies, Madras.

SRI. J. C. RYAN, M. A., REGISTRAR.

Re. 7172-47-S. 1. *Dated. 28-12-49*

Sub :—Students Stationery Co-operative Stationery Co operative Stores—
Exemption from the Scope of Section 36 of the Madras Co-operative Societies Act and Rule XII (a) (v)—Amendment to Model bylaws.

Ref :—G. O. 5700—development dated 30-11-49 communicated in the Registrar's Endt. 7172-47 S. 1. dated 10-12-49.

In the G. O. cited above, Government have granted certain general exemptions to the Students Co-operative Stationery Stores from the provisions of the Madras Co-operative Societies Act and Rule XII (a) clause V of the first proviso. In view of these exemptions, the model by-law No. 37 of the students Co-operative Stationery Stores requires the following amendments.

By-law 37.

- (i) Delete clause 3 and renumber clauses 4 and 5 as clauses 3 and 4.
- (ii) Add the following as clause 5.
the balance of the net profits may be carried to a scholarship fund or poor boys relief fund or utilised for other educational and charitable purposes mentioned in section 2 of the charitable Endowments Act VI of 1890.
- (iii) Delete clause 6.

Deputy Registrars are requested to see that the Students Stationery Co-operative Stores adopt the above amendments at their next general meeting.

J. C. RYAN,
Registrar.

Copy of G. O. Ms. No. 5320 dated the 4th November 1949 from Development Department, Government of Madras.

ABSTRACT.

Education - Co-operative Training Institute—concessions to children and other dependants of Defence Services Personnel including Indian National Army Personnel—Discontinuance—Ordered—

Read :—G. O. Ms. No. 3332 Development, dated 22-2-43.

G. O. Ms. No. 4348 Development, dated 23-8-48.

Read also :—G. O. Ms. No. 2230, Education and Public Health dated 11-7-49.

ORDER.

His Excellency the Governor of Madras directs that the orders issued in G. O. Ms. No. 2230, Education and Public Health dated 11-7-49 in regard to the grant of concessions to children of Defence Services Personnel be made applicable to those granted in the Co-operative Training Institute also.

(True Copy)

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES, MADRAS.

Dated 27-10-49.

Endt. No. Re. 3784 49-N
Copy communicated.

(Forwarded/By order)

P. ACHYUTHA MENON,
For Registrar.

Copy of G. O. No. 2230, 11th July 1949 from Education and Public Health Department, Government of Madras.

Educational concessions to the children and dependants of Defence Services Personnel—Grant by the Provincial Government—Discontinuance—Orders Passed.

Read—the following papers :—

G. O. No. 610, Education, dated 20th April 1945.

G. O. No. 1622, Education, dated 23rd June 1948.

G. O. No. 61, Education, dated 7th January 1949.

From the Government of India, dated 4th August 1948, No. F. 12-7/46-R. From the Director of Public Instruction, dated 1st September 1948, No. 1769-W. 2/48.

From the Government of India, dated 21st May 1949, No. F. 10-25/48-D.2

ORDER :—No. 2230, Education, dated 11th July 1949.

The Government have sanctioned at the instance of the Government of India certain educational concessions to children and dependants of the Defence Services personnel. The concessions are granted as per instructions in G. O. No. 610, Education, dated 20th April 1945, as amended subsequently. In view of the enormous cost to the Provincial Government on the grant of the concession the question of their further continuance was examined by this Government. The Government have decided to discontinue the concessions and accordingly pass the following orders :—

(1) No new application for the concessions shall be admitted from the academic year 1949-50.

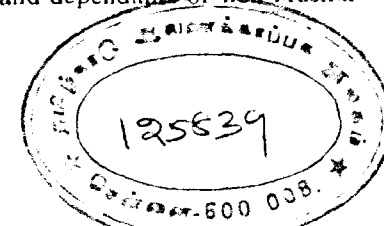
(2) Concessions already granted should, in the case of children and dependants of Defence Services personnel who have been killed or incapacitated as a result of war service, be continued until their education is completed.

(3) Concessions already granted to children and dependants of other Defence Services personnel should be continued until the end of the particular course, Primary, Middle, Higher or College, which they are undergoing at the beginning of the academic year 1949-50.

2. These orders will also apply to children and dependants of soldiers from other Provinces and States in educational institutions in this Province and enjoying educational concessions by virtue of the reciprocal arrangement entered into with the other Provinces and States.

3. This Government in their order No. 1622, Education, dated 23rd June 1948, have extended to the children and dependants of all Indian National Army personnel the concessions allowed to dependants and children of the Defence Services personnel. They have also in G. O. No. 61, Education, dated 7th January 1949, extended these concessions to children and dependants of the non-Muslim ex-service men who after migration from Pakistan desire to settle permanently in this Province. The orders in paragraph 1 above will apply to the children and dependants of the Indian National Army personnel and the children and dependants of non-Muslim refugees also.

(True Copy)



Circular of the Registrar of Co-operative Societies, Madras

SRI J. C. RYAN, M.A., REGISTRAR.

Rc. No. 173075/49-B Dated 22-12-1949.

Sub:—Co-operative Societies—Term of Office—Scope and Implication of Rule XXV-A.

Ref:—Registrar's circular D. 19569/46-A dated 28-5-1947.

In the circular cited above, the scope of Rule XXV-A as explained by the Advocate General was communicated to Deputy Registrars. An amendment to by-law No. 12 of Central Banks to bring it in conformity with this Rule was also suggested and the Central Banks were advised to delete the portion "and until their successors are elected and assume charge" from the first sentence of the by-law. Deputy Registrars were also informed that the other types of Co-operative Societies should also be instructed to delete this portion in their corresponding by-law. It is, however, observed that these instructions have not been appreciated fully and given effect to in every society.

2. Rule XXV-A applies to all registered societies. Under this rule, the term of the members of the committee shall expire at such yearly intervals as are specified in their by-laws unless extended by the Registrar. The provision is mandatory. The Advocate General has held the view that the members of the committee cannot continue in office after the specified date or after the expiry of the yearly intervals as the case may be, either for administrative reasons or otherwise. The first sentence of by-law No. 12 of Central Banks and by-law No. 20 of Rural credit societies, provide that "the members of the Board of Panchayat shall continue in office after the expiry of the term of office until by election another board of Panchayat is constituted." There is a similar provision in the by laws of other co-operative societies also. The Advocate General has stated "that the by-law cannot fix the term of years at the same time provided that the members shall continue to hold office there after." He has added that this part of the by-law should be ignored as contravening Rule XXV-A. Deputy Registrars are therefore informed that even if this portion of the by-law has not been deleted, it will be inoperative. Government have also held in one case that the Board of Directors which continued in office after the expiry of their term, cannot be regarded as a valid Board and have ignored that Board.

3. Deputy Registrars should therefore advise the Central Banks to instruct their supervisory staff to see that the by-law regarding the constitution of directors (By-law 20 of rural credit societies and the relevant by-laws of other types of societies) is suitably amended. Central Banks should also be requested to advise the societies to conduct their elections before the expiry of that term and that if for any reason it could not be done they should be asked to address the Deputy Registrar for extension of the term under Rule XXV-A (2). The Registrar will exercise powers under this rule in respect of Central Societies, House Construction Societies, House Mortgage Societies, South India Co operative Insurance Society and the Training Institutes and the Deputy Registrars are authorised to discharge this function in respect of other societies.

J. C. RYAN,
Registrar.

Circular Memorandum of the Registrar of Co-operative Societies, Madras.

SRI J. C. RYAN M.A., REGISTRAR.

Rc-186174/94-V. 1.

Dated: 27-12-1949.

Sub:—Co-operative Societies—Harijan Societies and Societies for Backward communities—maintenance of accounts—clerical assistance—increased—Subsidy—sanction of.

Ref:—G.O. No. 5672 Dev. department dated 28-11-1949.

A copy of the G.O. cited is enclosed.

2. A list of Harijan Societies and Societies composed of backward communities, selected for the grant for 1949-50 in each circle is also enclosed. At the rate of Rs. 30 per society per month, 351 Harijan Societies would require a grant of Rs. 1,26,360 per annum and 61 societies composed of backward classes would require Rs. 21,960 per annum. But Government have sanctioned only Rs. 30,000 and Rs. 5000 respectively. The Registrar has therefore allotted small amounts as grants for each circle, for 1949-50. A list of the allotment made to each circle is enclosed. *No circle should exceed the allotment.* The extent of subsidy to be given to a society under the four conditions stipulated in the G.O. should be decided by the Deputy Registrar with reference to its transactions and the work involved and they should submit before 15-2-1950 a list of societies selected by them from the above list for the grant for 1949-50 and the amount allotted to each. The Registrar is pleased to permit the Deputy Registrars to draw and disburse the subsidy to the societies selected by them for 1949-50 subject to the limit of the allotment made to each circle. If a change is to be effected in the list enclosed they may do so and intimate the fact to the Registrar before 15-2-1950.

3. The allotment for each circle should be spent before 15-3-1950 without fail and the fact should be intimated to the Registrar before 31-3-50, with a detailed list showing the names of societies and amounts paid to each. In case it is not possible to spend the full allotment, the Deputy Registrars are requested to report the fact to the Registrar before 15-2-1950 so that the funds may be made available for other circles.

4. For subsequent years, the Deputy Registrars, should examine the case of each society every year and submit the list for Registrar's approval, before 31st May of the year. The list for the financial year 1950-51 should be submitted before 31-5-1950. No grant should be drawn in any year from 1950-51 onwards before the list of societies is approved by the Registrar and Deputy Registrars are permitted to draw the amounts.

5. The Deputy Registrars should note that only really good societies which are likely to be pulled up and put on a firm basis by the provision of clerical assistance should be subsidised and that they will be held personally responsible for the proper utilisation of the grant.

J. C. RYAN,
Registrar.

Subsidy for Clerical Assistance to Harijan Societies and Societies for Backward Communities.

Amount allotted to circles for 1949-50.

Name of the circle.	Societies for Backward class people.		Total.	Harijan Societies.		Total.	Grand Total.
	Full time clerk.	Part time clerk.		Full time clerk.	Part time clerk.		
1 Chieacole	...	...	...	...	300	300	300
2 Bellary	...	75	75	300	300	600	675
3 North Arcot	...	...	...	...	1,600	1,600	1,600
4 Ramnad	...	...	...	100	100	200	200
5 S. Kanara	...	75	75	200	700	900	975
6 Nellore	...	50	50	850	2,300	3,150	3,200
7 Chittoor	...	150	150	...	200	200	350
8 Trichy	...	...	...	...	2,000	2,000	2,000
9 Kumbakonam	...	...	...	...	1,000	1,000	1,000
10 Anantapur	...	...	...	...	700	700	700
11 Vizag	...	...	...	...	500	500	500
12 Tanjore	...	250	250	600	700	1,300	1,550
13 Guntur	...	1,100	1,100	...	400	400	1,500
14 Ellore	...	400	400	...	4,600	4,600	5,000
15 Tinnevely	...	200	200	...	1,600	1,600	1,800
16 Kurnool	...	400	400	...	800	800	1,200
17 Madras	...	...	...	700	800	1,500	1,500
18 Madura	200	400	600	...	1,450	1,450	2,050
19 Malabar	...	...	...	...	1,200	1,200	1,200
20 E. Godavary	...	...	...	500	4,500	5,000	5,000
21 Krishna	...	1,700	1,700	...	1,000	1,000	2,700
	200	4,800	5,000	3,250	26,500	30,000	35,000

Copy of G.O. Ms. No. 5672, Development, dated 28-11-1949.

Co operative Societies—Harijan Societies and Societies for Backward Communities—Maintenance of accounts—Clerical assistance—Increased subsidy—Sanctioned.

Read the following :

Letter from the Registrar of Co-operative Societies No. Rc. 13457/47-V. I., dated 24-12-1947.

Letter from the Registrar of Co-operative Societies No. Rc. 13457/47-V. I., dated 3-1-1949.

Letter from the Registrar of Co-operative Societies No. Rc. 27251/49-V. I., dated 15-3-1949.

ORDER :

The Government have been giving grants to Co operative Societies for Harijans and other backward communities at the rate of Rs. 5 per mensem for each society, in order to enable them to pay remuneration to persons employed to write up their accounts. The total amount of such grants is limited to Rs. 3,000 per annum. In connection with an interpellation in the Madras Legislative Assembly, the need for increasing these scriptory

grants has been examined in consultation with the Registrar of Co-operative Societies. The Registrar has reported that 325 societies for Harijans and 60 societies for other backward communities require help for employing part-time clerks and that 25 societies for Harijans and one society composed of the members of backward communities need assistance for the maintenance of full-time clerks. He has suggested that a lump sum grant of Rs. 56,448 per annum may be placed at his disposal, so that he may subsidise these 412 societies upto a maximum of Rs. 40 per mensem in each case. Allowing for possible economies and also in view of the present financial stringency, the Government consider that the total grant on this account should be restricted to Rs. 30,000 for Harijan societies and Rs. 5,000 for societies composed of backward communities or Rs. 35,000 in all, per annum.

2. His Excellency the Governor of Madras sanctions a lump sum grant of Rs. 35,000 (Rupees thirty five thousand only) per annum (Rs. 30,000 for Harijan societies and Rs. 5,000 for societies composed of members of backward communities) towards the part-time and full-time clerks employed for the maintenance of their accounts. The amount will be placed at the disposal of the Registrar of Co-operative Societies and he is authorised to disburse it to individual societies, subject to the following conditions :—

- (i) the maximum grant to each society should not exceed Rs. 30 per mensem.
- (ii) the grants should not be continued to one and the same society for a period of more than 3 years ;
- (iii) the grant should be made only to really good societies which are likely to be pulled up and put on a firm basis by the provision of clerical assistance and which will utilise such clerical assistance for the improvement of their economic position either by providing subsidiary occupations for their members or by the extension of other non-credit activities and the grant should be stopped for societies which fail to respond satisfactorily within a reasonable time ;
- (iv) each society receiving help should be required to meet a portion of the cost of the clerical assistance with reference to its financial position and the grant to it should be limited to such portion of the cost as cannot be met by it from its own funds.

3. The Registrar will have discretion to divert to societies for Harijans and unspent balance from the grant of Rs. 500 per annum, sanctioned for societies consisting of backward communities. He will also have discretion to make changes in the societies, selected for payment of these grants and also to vary the amount of grants, as circumstances, may require.

4. The expenditure should be debited to "42-C—Co-operation-Grants in-aid—I Ordinary areas—(iii) other grants". The grant of Rs. 30,000 for clerical assistance to Harijan Societies should be recovered from the Fund for Village Reconstruction and Harijan Uplift and shown in the separate sub-head of appropriation, viz. "charges recoverable from Governments, departments etc", against a detailed head "Amount met from the

Fund for Village Reconstruction and Harijan Uplift, Madras", to be opened under the head, "42-C. Co-operation-Grants-in-aid—I Ordinary areas—(iii) Other Grants". The Registrar is requested to apply for the necessary additional appropriation in the current year in due course. Pending provision of funds the Accountant-General is requested to admit the expenditure in audit.

5. The Registrar is requested to submit necessary amendments to item 11(A) in Appendix 15 of the Madras Financial Code, Volume II.

(True Copy)

**THE CENTRAL PROVINCES AND BERAR
(MADHYA PRADESH)
Provincial Co-operative Bank, Limited,
Mahal, Nagpur—2.**

	Rs.
Authorised Share Capital ...	20,00,000
Paid-up Share Capital ...	10,23,800
Reserve and Other Funds ...	11,25,600

SIR M. G. DESHPANDE, K. B. E.,
Chairman and Managing Director.

**The Bank's Shares and the following (fully guaranteed by Government)
Debentures are available for Sale.**

VIII Series Ten year 3 % debentures issued at par.

IX Series Fifteen year 3 % debentures issued at 99 %.

For the last 4 years the Bank has been paying dividend at
5% per annum, income-tax free.

ALL KINDS OF BANKING BUSINESS DONE.

For particulars apply to:—

G. A. BHONSULE,
Manager.

The Indian Republic Day in the Province

The Madras Provincial Co-operative Union celebrated the Indian Republic Day at its office on 26-1-1950 with enthusiasm and rejoicing. The loyalty of the Union to the new Government and to the first President of the Republic was assured on behalf of the Co-operators in the Province.

The Madras Provincial Co-operative Bank, Ltd., which is the Premier Co-operative Bank in the Province celebrated the Republic Day in a grand manner. The Bank Building was beautifully illuminated.

The Subrahmanya Swamy Weavers' Co-operative Society of Cuddalore, (South Arcot) celebrated the Indian Republic Day on 26-1-1950 in a fitting manner by feeding 2,000 poor persons with a menu including sweets

The Krishna Co-operative Central Bank, Ltd., Masulipatam (Krishna District) celebrated the Indian Republic Day in the Bank premises. Prominent local Co-operators such as Dr. S. Hanumantha Rao Naidu spoke on the significance of the Day to Co-operators. Sweets and fruits were distributed among those assembled

The Indian Republic Day was celebrated by the Rayalaseema Co-operative Training Institute with much enthusiasm and rejoicing clad in winter. The trainees marched in a procession to the office of the local Deputy Registrar where the country's flag was hoisted. A meeting was held at the Institute premises with Sri Bayappa Reddy, in the chair. Songs were sung and speeches were delivered offering loyalty to the State. Flowers, fruits and refreshments were served. There was also a dinner in the Hostel.

The Bharat Republic Day was celebrated in the Karur Co-operative Marketing Society, Ltd., on 26-1-1950.

Sri K. Veeraraghavan, M.A., B.L., Co-operative Sub-Registrar for Land Mortgage Banks unveiled the photos of Sri Babu Rajendra Prasad and Shri C. Rajagopalachari.

Sri M. R. Rajagopala Iyengar, President of the Society gave a brief sketch of the life of the two great National leaders.

Sweets were distributed.

Monthly News Page

Provincial

The Staff Quarters of the South Arcot Co-operative Central Bank, Cuddalore, were opened on 3-12-1949 by the Hon'ble Sri P.S. Kumaraswamy Raja, Chief Minister, Madras. Sri K. Sitarama Reddiar, President of the Bank, welcomed the gathering. Sri J. C. Ryan, Registrar of Co-operative Societies appreciated the Bank's enterprise and said that Government could not finance such schemes on account of the need to finance housing schemes for civilian population. Declaring the Quarters open, the Chief Minister commended the example of the Bank to other Central Banks and others as a way to solve the housing problem.

*

Under the auspices of the Sri Ranganatha Co-operative Stores, the Co-operative Urban Bank, and the Co-operative Building Society, Srirangam, a hearty reception was accorded to the Hon'ble Sri K. Chandramouli, Minister for Co-operation, Madras. Several non official and official Co-operators and other important persons were present.

During the course of his speech the Minister expressed his hope that with the advent of Independence there would be a revival of the glories of the past and the rich experience would be the foundation for our future progress and happiness. He deprecated the idea that co-operation is alien to this country. He said that co-operation is no blessing of the British Rule but that it has been in every country ever since the society came into existence. Especially, the Hindu Society was built up on the foundation of co-operation as proved by the system of distributing the produce of the land to all classes of people according to their services and the needs of life. This was the principle of our village system. Though modernisation under a foreign rule destroyed the whole structure of the country and thus gave room for pungent criticism, Mahatma Gandhi restored the old order of things in fulfilment of the nation's ambition.

Congratulating all the co-operators assembled, in their successful work, he however wished to point out two defects. The first was "a misapprehension that co-operation is a business organisation" and he could not reconcile with such an idea. Co-operation is a growing healthy organism vital to life and a blessing to the humanity. As practice is better than precept, he said that unlike much talk about democracy, co-operation should be extended to all common and poor people who are unable to avail of the privileges of co-operators only because they cannot afford to invest capital. He repudiated that the poverty of a man should be a disqualification when there have been bad debts even with the rich people. He said

that it was not enough to be charity-minded and also pointed out that the poor man's honest labour should be monetised and utilised for the well-being of the society, by advancing loans to him and compensating him.

The second point was that "it is not in the spirit of co-operation to lend money for return of interest only in the same manner as a banker". Money should be lent for a noble purpose which should produce something for the society; otherwise the ideal would be missed. He felt it to be only a negation of co-operation if it was thought that the co-operative stores which catered to the needs of the British Army during war would not flourish under decontrol and without Government patronage. But if these stores determined to do service to the poor and distribute the available things without discrimination they were bound to be popular with the masses as well as the Government and the stores would become an indispensable factor in the daily life of every people and no popular Government could ignore them.

Explaining the inordinate delay in the working of the Building Construction Society he said that it was due to the temporary absence of the officer concerned and assured that the question will be settled very soon when the officer resumes duty at an early date. He, however, admitted that the delay was also due to the administrative difficulties which, he regretted, were the legacies of the alien rule. The co-operative institutions and the government are alike working in the interest of the people and there can be no disagreement between the two. Ways and means will be found to rectify the mistakes, if any.

Referring to the Urban Bank he hoped that the money lending would be directed towards encouragement of cottage industries and other constructive schemes.

In this connection he mentioned that he found in the Premier Hon'ble Sri. P. S. Kumaraswamy Raja one of the best co-operators in this province and much of the minister's work was shared by him. So long as Sri P. S. Kumaraswamy Raja is at the helm of affairs, he hoped, the co-operative institutions are bound to flourish.

A vote of thanks was proposed by Sri E. V. Srinivasachariar, President of the three institutions.

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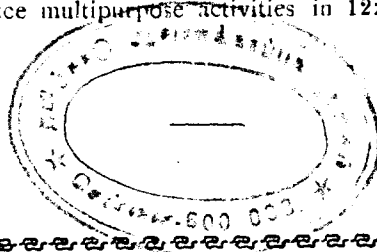
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The General Body meeting of the Tirupattur Co-operative Urban Bank, Ltd., (Ramnad District.) was held on 29-1-1950, Janab P. P. S. Ayyathurai, presiding. The Annual report and Budget were approved. The most remarkable feature was the unanimous election of all the seven directors at the meeting.

PRICE.
Rs. A.

At the 19th Business Conference of the Supervisors and Union representatives, Tinnevely District, was held on 7-1-1950 at the premises of the Tinnevely Co-operative Central Bank. The work of the Supervisors during the half year ended 31-12-1949 was reviewed and a target of Rs. 4,11,500 was fixed for disbursing loans to rural credit societies during the ensuing half year. It was also resolved to revive before 28-2-1950 without fail 15 dormant societies and 21 bad and indifferent societies.

Regarding the selection of villages for the organisation of new societies, it was resolved that as the existing societies covered 63.41 per cent of the total member of villages as against the target of 50 per cent fixed by the Registrar, further efforts should be concentrated not on organising new societies but on consolidating the existing ones and increasing their membership. The progress in membership was found to be not encouraging, being only 13.1 per cent of the population. Hence it was resolved that every Supervisor should admit at least 300 members every month. It was also resolved to introduce multipurpose activities in 122 societies during the current half year.



THE SALEM CO-OPERATIVE CENTRAL BANK, LTD.

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PRESIDENCY IN 1909.

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Own Reserves exceed Rs. 12 Lakhs.

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Maximum dividend paid all these years.

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P. MANICKAM, B.A.,
C.A.I.I.B., D. COM., (I.M.C.),
Secretary.

K. A. NACHIAPPA GOUNDER,
M.L.A.,
President.

P. C. U. Publications :

1. CO-OPERATION AND INDUSTRIAL LABOUR WELFARE (With special reference to Industrial Employees' Co-operative Stores.) English Edition ... 1 8 a copy.
 2. Do Tamil Edition ... 1 4 "
 3. MARKET INTELLIGENCE, 1945 ... 0-2-6 "
 4. PROSPECTUS AND SYLLABUS OF P. C. U. COURSE, with Question Papers (Postage As. 4) 1 0 "
 5. MADRAS CO-OP. SOCIETIES ACT & RULES. 3 8 "
- (Item Nos. 1 & 2 will be sold at Re. 1/- for Co-operative Institutions)
(Item No. 5 will be sold at Rs. 3/- for Member Societies.)

R. B. I. Publications :

1. COMMERCIAL BANKING ACTIVITIES OF CO-OP. BANKS ... 0 6 "
2. QUICKDISPENSATION OF PRODUCTION CREDIT ... 0 8 "
3. THE ROLE OF THE RESERVE BANK OF INDIA IN THE SCHEME OF AGRICULTURAL CREDIT ... 0 8 "
4. CO-OPERATION IN SASKATCHEWAN 1946-47... 0 8 "
5. SOME TYPICAL NON-CREDIT SOCIETIES IN INDIA ... 0 8 "
6. MORE TYPICAL NON-CREDIT SOCIETIES IN INDIA ... 0 6 "
7. STATE AID TO AGRICULTURISTS IN INDIA ... 1 0 "
8. CO-OPERATION IN CEYLON (1948) ... 2 8 "
9. THIRTY YEARS OF CO-OPERATION IN INDIA 1914-15 to 1944-45 ... 2 8 "

Other Publications :

1. CO-OPERATION—By W. R. S. Saththianadhan and J. C. Ryan ... 0 6 "
2. COTTAGE INDUSTRIES OF INDIA—Guide Book and Symposium: Chitra and Tekumalla (Silpi Publications) ... 18 0 "
3. A GUIDE TO CO-OPERATIVE EMPLOYEES —By N.Venkatachalam, B.A., Superintendent of Rayalaseema Co-operative Institute, Anantapur ... 1 0 "
4. BOOK-KEEPING—QUESTIONS AND ANSWERS—By A. Marama Reddy ... 5 0 "

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Summary of Balance Sheet as on 30-6-'49.

Liabilities.		Assets.	
	Rs.		R
Paid up Share capital.	12,37,700	Cash on hand & balance with Banks.	4
Reserve and other Funds	... 24,20,009	Loans to Primary Banks	... 3,45,7
Debentures	... 4,20,92,000	Sinking Fund Investments	... 87.7
Deposits, Loans and Overdrafts	... 13,61,825	Other Investments	... 38,4
Sundry Liabilities	... 5,17,986	Sundry Assets	... 6,07
Profit	... 2,26,075		
Total Rs.	... 4,78,55,095	Total Rs.	... 4,78,55,095

M. DATTATRAYULU, B.A., C.A.I.J.B.,

Secretary.

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