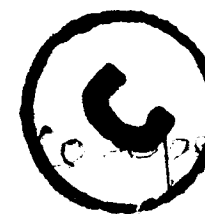


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THE Madras Journal of Co-operation

EACH FOR ALL AND ALL FOR EACH

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The Point Four Programme and South East Asia :

Whatever might be the other political and economic consequences of the World War II, one important outcome of it has been the universal recognition of the vital value of the so-called "under-developed" countries in a scheme of world development. During the War, greater production in the under-developed countries became urgent for two reasons: First, it was necessary to provide food and raw materials required by U. S. A. and other industrial countries whose consumption of primary products increased vastly due to War. Secondly it was necessary to supply the essential civilian requirements of the people of the under-developed countries whose needs would otherwise have to be met by the industrial countries like the U. S. A.

For some years therefore America had been carrying on activities that greatly aided the economic development of the under developed countries; these activities largely included loans and grants by institutions like the Export-Import Bank and the International Bank for Reconstruction and Development. They also included technical assistance under the Economic Co-operation

Administration programmes and various treaties of trade and good will.

The Point Four proposal grew out of America's experience with these various activities and out of a growing realisation of the need for economic development in under-developed areas. The aspirations of the peoples of these regions for better life have been recognised.

Early in 1949 President Truman of U. S. A. proposed the Point Four Programme as one of the main instruments for carrying out the foreign policy of U. S. A. Under this programme he proposed some new activities. First, he proposed an expanded programme of technical assistance by which the people themselves might make their efforts more productive so as to achieve better living conditions. This programme should be carried out through the United Nations. Secondly he proposed that the U. S. A. should try to induce the flow of private capital into productive investment for economic development abroad.

Thanks to the liberal outlook of the average American, this proposal of President Truman was received with great enthusiasm; for it was everywhere felt that both the under-developed and the industrialised countries would stand to gain by the development of the former.

It has been estimated that U. S. A. is now aiding the economic development of the under-developed countries at the rate of nearly 400 million dollars a year.

South East Asia constitutes a very large portion of the under-developed areas brought under the Point Four Programme. Its development is vital to the progress of the world at large. The Korean War has made it clear that its development cannot be neglected any longer without exposing it to the danger of Communism.

Food production is to play a large part in the Point Four Programme. Its importance both as a war time and peace time objective has now become pretty clear. It has also become clear that a long-run programme would make progress too slow especially in the case of South East Asia. The Griffin Mission which visited South East Asia last year recommended a new programme of development which combined technical assistance with the providing of enough equipment with a view to get major development activities under way at once.

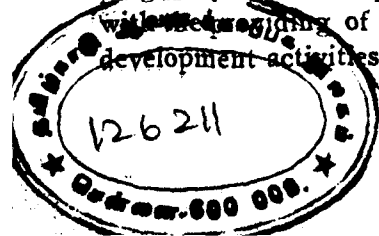
While the United Nations, particularly America, are keen on rendering all assistance to develop South East Asia, there does not seem to be the same eagerness on the part of Asian countries to avail themselves of the help forthcoming. The Technical Conference held at Lucknow in 1949 made several recommendations for the development of Asian countries both at national and international levels. It is a pity that no definite steps have yet been taken by India, which played an important part at the Conference, to implement the recommendations of the Lucknow Conference.

As has been said by Samuel P. Hayes Jr., Director, Technical Co-operation Administration recently, development consists not only in building up of the economic strength but also of psychological strength—morale. India, by virtue of her unique position *can* play a leading role in this behalf in South East Asia through the promotion of a co-operative way of life which is her objective. May we appeal to the Governments at the Centre and the States to move fast in this direction so that India and South East Asia may yet have a chance to build up their strength and ensure peace in the World?

Land Mortgage Banking and Revolving Fund :

Readers of our Journal are aware that the need for constituting a revolving fund was pointed out by the Central Land Mortgage Bank as early as 1949. The same has been reiterated during subsequent years at every Land Mortgage Banks' Conference. It has been suggested by the Central Co-operative Land Mortgage Bank that the Fund may be constituted by the Government so that instalments might be drawn by the Land Mortgage Banks from it on certification by a duly appointed Governmental authority. The Government however suggested that the Fund might be created by the Central Land Mortgage Bank from out of its own funds. Considering the limited resources at the disposal of the Central Land Mortgage Bank and the need for meeting its obligations to the debenture holders, it is plain that the Central Land Mortgage Bank could not create the fund from its own resources. Meanwhile conditions are becoming increasingly acute for the agricultural borrowers on account of causes like cyclone or successive failure of the monsoon. We appreciate that the primary banks have met their dues to the Central Land Mortgage Bank in spite of the cyclone in the north and dearth of rain in the south. But we also fear that it may not be possible for long for the ryots to pay their instalments regularly under long-drawn hard conditions. It is particularly so in the dry areas of Rayalaseema, Guntur, Trichinopoly and Madura Districts which also have now been brought under land mortgage banking system.

A definite solution of the problem is therefore urgent. At the recent Land Mortgage Banks' Conference held at Madras



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(in February 1951) a concrete suggestion has been made by the President of the Bank in the matter. He said "The Government are spending large amounts to stave off famine and if a portion of the famine fund is diverted for the purpose of Revolving Fund, I feel sure it will be an act of which will be appreciated by the agriculturists of these dry areas...."

We feel that this is a suggestion which is feasible without entailing any extra strain on Government resources. The Hon'ble has expressed that the question is under consideration of the Registrar and that when concrete proposals emerge, he would give them his sympathetic consideration. The solution of this problem of Revolving Fund will certainly be a land mark in land mortgage banking. We commend the concrete suggestion of the Central Land Mortgage Bank to the Registrar for his sympathetic consideration and appeal to the Hon'ble the Chief Minister that the Government of Madras may be pleased to issue favourable orders in the matter so that the progress of land mortgage banking may not be handicapped for want of extension facilities for the agricultural borrowers in abnormal circumstances.

An Appeal to Non-Credit Institutions:

Now that non-credit co-operation is becoming increasingly popular there is a growing need to see that the employees of non-credit institutions such as stores societies, weavers' societies and co-operation, account keeping, business methods and salesmanship. It is said that in countries like America and England, remarkable progress was achieved by non-credit institutions by means of regular business training and business research. With a view to make the benefit of such training available to the non-credit institutions' employees in Madras State, special short term courses are being held at the four Co-operative Training Institutes at Coimbatore, Tanjore, Rajahmundry and Anantapur during April-June every year.

Experience has shown that the response from non-credit institutions has not been very satisfactory. We learn that the Madras Provincial Co-operative Union has considered this matter and has recommended that this training should be made compulsory to all non-credit employees. It is, however, desirable that non-credit institutions should realise the need for proper training of their employees and should offer to depute their employees for training. We earnestly appeal to all the non-credit co-operatives to respond to the request of the Training Institutes so that eventually they may have a properly trained staff which will be able to develop their institutions on sound lines.

F.A.O. And Rural Co-operation*

By H. J. LOUWES,

Rural Welfare Division of the Food and Agriculture Organisation.

One of the main objectives of the Food and Agriculture Organisation is "bettering the conditions of rural populations." The development of co-operative societies promoting mutual aid among rural peoples is regarded as one of the main approaches to this problem. Co-operation has proved effective not only in improving economic conditions through marketing, credit, purchasing and other types of economic societies, but also in improving welfare through co-operative societies for health, education, village improvement and other social purposes.

Steps were taken in 1949 to begin F.A.O.'s activities in the field of agricultural co-operation. In this, as in other approaches to rural welfare, special emphasis has been placed on those areas and those sections of rural populations where the need for betterment is greatest. At the same time, the interests of economically advanced countries have not been neglected. With the assistance of the International Federation of Agricultural Producers, F.A.O. has established liaison with agricultural co-operative organisations, particularly in Europe and North America. In addition, F.A.O. has endeavoured to maintain close working relations, in its co-operative programme, with other international organisations, and special attention has been given towards strengthening its relations with the I.L.O. and other special U.N. Agencies, also with the I.C.A. and interested non-governmental international organisations and agencies concerned with co-operation.

To achieve its aims in the field of rural co-operation, F.A.O. is employing four main methods: preparing and publishing reports and studies; arranging technical meetings; sending co-operative experts to give advice and make recommendations to member governments; and arranging fellowships and exchanges of leading officials of co-operative societies in different countries.

During 1949 and 1950 studies have been undertaken to provide background information or to bring significant developments in rural co-operation before member countries for their guidance. A "Survey of Co-operatives in Asia and the Far East" was prepared on the basis of country reports presented by member nations throughout that area preparatory to the Technical Meeting on Co-operatives, held at Lucknow, India, in the fall of 1949. A study on "Training Rural Leaders: the Shantan Bailie

* From the Review of International Co-operation, February, 1951.

School, Kansu Province, China," described an educational experiment designed to train rural leaders in co-operative principles and methods. This study is published in English, French and Spanish. Other educational aspects of Co-operation were presented in the report on "School Co-operatives in Brazil." Studies on "Purchasing Co-operatives in Europe," in collaboration with I.F.A.P., and "The Use of Revolving Funds in Financing Co-operatives" will be completed by the end of 1950. Preparation is under way for studies on "Audit and Supervision of Co-operative Societies" and "Administrative Co-operative Unions and Federations."

More direct approaches to assisting member countries in particular problems of rural co-operation are made through organising technical meetings and through visits of co-operative experts. Small technical meetings of co-operative officials are considered an effective medium through which information may be obtained on basic conditions and problems of Co-operation. The first meeting of this character, organised by F.A.O., was held at Lucknow, India, in the fall of 1949, and was attended by 89 delegates from seven countries, as well as observers from S.C.A.P., I.L.O. and I.F.A.P. As a follow-up on this meeting, F.A.O. assisted in organising and conducting seminars on Co-operation in India and the Philippines. Furthermore, a co-operative officer of F.A.O. visited a number of countries in South-East Asia to follow up on the Lucknow Meeting, in respect of such matters as examining specific requirements for technical training, fellowships and other forms of technical assistance, establishing and strengthening relations between co-operative movements in different countries, and engaging in discussions regarding a later technical meeting on specific co-operative problems.

Another part of the world where F.A.O. is developing its co-operative activities is the Caribbean area and Latin America. A co-operative officer of the F.A.O. visited the Caribbean area this year to survey rural co-operative societies therein collaboration with the Caribbean Commission. The report on this survey will provide documentation for the West Indies Conference to be held later this year, and will also serve as a basis for discussion at a Technical Meeting on Co-operation, to be held early in 1951 in Port-of-Spain, Trinidad. In addition to these activities a joint F.A.O./E.C.L.A. Mission has made a survey of the agricultural credit needs of El Salvador, and made recommendations for the establishment of an agricultural bank. At present a co-operative officer of F.A.O. is, under a joint scheme with the Department of Social Affairs of U.N., making a survey of the credit needs of poorer sections of rural populations in a number of Latin American countries, with a view to determining the best way of meeting these needs.

Although F.A.O.'s activities in rural co-operation are of recent origin, experience so far has shown that the need is great for an international agency to give special attention to rural co-operative problems. It is, therefore, of particular importance that F.A.O., under the Technical Assistance Programme, should develop new programmes in the field of rural co-operation whereby the needs and demands of its member nations can be more fully met.

The Madras Provincial Co-operative Union Supplemental List of Practical Training Examination Results.

PASSED IN PART IV.

Rajahmundry Centre.

1. Sastry, C. B. S.

Reg. No. 3663.

(This candidate having passed Parts I, II and III in April 1950 examination has now passed Part IV (Practical Training) and thus completely passed the examination.)

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Some Suggestions to the Land Mortgage Banks*

THE HON'BLE SRI P. S. KUMARASWAMY RAJA,
Chief Minister, Government of Madras

Gentlemen,

While I am happy to be in the midst of Co-operators, I must say that I am proud to have the privilege of opening the twenty-first Land Mortgage Banks' Conference; for the Land Mortgage Banking Movement in this State is the best and most flourishing enterprise of its kind in the whole of India.

Your Central Land Mortgage Bank, during the last 21 years of its existence, has built up its financial strength by the patient and persistent efforts of its Directors supported by helpful Registrars of Co-operative Societies who functioned as the Trustee of the Bank. Your share capital has risen from Rs. 70,400 to Rs. 14,82,300 and your reserves, including the additions out of the profits of the year 1949-50, will amount to Rs. 28,25,000. The primary land mortgage banks, too, have progressed rapidly during these 21 years. Their number has increased from 19 to 124, and their share capital and reserves stand at Rs. 80,65,438 and Rs. 7,47,498 respectively. As your Board of Directors have observed in their annual report, "it is a matter for gratification that in spite of the cyclone in the Northern districts and the dearth of rain in the Southern districts, all the Primary Land Mortgage Banks have met their dues to the Central Land Mortgage Bank." Let me congratulate every one of those connected with the administration of Land Mortgage Banks in this State on these achievements and wish them more success in their efforts, which, I am sure, will not slacken in the future.

I am aware that the Central Land Mortgage Bank had some anxiety in finding investors for its 45th series of debentures which were issued at Rs. 99-8-0 for a period of 20 years for Rs. 40 lakhs. One should have thought that these debentures would be readily subscribed in full not only because they are secured by land mortgage and Government guarantee but also because they are secured by the general assets of the Central Land Mortgage Bank. Yet, investors, who looked for profit, did not support the issue; but the co-operative central banks of the State rose to the occasion, true to the co-operative principle that the strong should help the weak in moments of distress. They did not reckon the profits. In a spirit of service to the agriculturists they underwrote the issue to the tune of Rs. 84.70 lakhs. With the assistance given by the Reserve Bank of India to the extent of Rs. 8 lakhs the issue was over-subscribed. This episode demonstrated to the world that, within the Co-operative Movement, service and not profit is the motive force. Agriculturists of the State and I tender our hearty thanks to every co-operative institution which subscribed to the 45th series of debentures.

In the next few months, the Central Land Mortgage Bank may have to float a new series of debentures. I hope that it will not be necessary

*Opening Speech at the 21st Land Mortgage Banks' Conference held in Madras on 17-2-1951.

for them to float the series at a higher rate of interest than the usual 8 per cent rate. Borrowing at this rate, the agriculturist in the primary land mortgage bank gets his loan at $5\frac{1}{2}$ per cent. The Gadgil Committee on Agricultural Indebtedness was of the view that long-term loans to agriculturists should be given at 4 per cent interest and the Government of Madras adopted this recommendation and subsidized the Central Land Mortgage Bank so that it might reach the agriculturists in the Ceded districts with funds at 4 per cent. Agriculturists in other districts asked for similar subsidy, so that they too might have their loans at 4 per cent; but Government did not see their way to subsidize them because their economic condition was generally better than that of the agriculturists in the Ceded districts. It would be contrary to the wishes of the agricultural masses and to the opinion of an Expert Committee if the rate of interest on debentures is put up and the ultimate borrower is asked to pay more than the present $5\frac{1}{2}$ per cent. I realise that it may be hard to raise cheap money in the market in the midst of the present tightness of the money market.

I hope the Directors of the Central Land Mortgage Bank and the Co-operative Department will be resourceful enough to tap avenues where money can still be found. They should take heart from the fact that even the 45th series of debentures was subscribed by the general public to the extent of Rs. 3.72 lakhs.

This brings me to the question as to why the Central Land Mortgage Bank should finance well-to-do agriculturists at a moment when the Bank finds it difficult to raise debentures at a cheap rate of interest. Till the year 1944, the Bank was lending to agriculturists only up to Rs. 5,000 and in rare cases up to Rs. 10,000. In that year, the Government permitted the Bank to lend up to Rs. 15,000, because it had enough money to spare. Considering the present change of circumstances, it may be worth-while to stop sanctioning loans exceeding Rs. 5,000 until such time as debenture money can be found easily. To secure ample money for the richer agriculturists by putting up the rate of interest on the debentures will hit the humbler agriculturists hard, if their requirements can be found at the existing rate of interest. Let us not forget that the most important contribution of the Co-operative movement to the State is the reduction in the general rate of interest to the agriculturists on account of the low rates the co-operatives charged for their loans. Besides, there has been a progressive reduction in the rate of interest charged by co-operatives, whether for short-term loans or for long-term loans, and it would be a retrograde step if we are to go back on this achievement.

Probably, a direction in which help can be found for maintaining the rate of interest at 8 per cent is another principle of co-operation viz.,

the principle of self-help. Loanable funds may very well be found within the Land Mortgage Bank movement itself. I observe that out of Rs. 80,65,438 which the primary land mortgage banks hold as share capital, they have invested only Rs. 14,42,100 as share capital in the Central Land Mortgage Bank. The bulk of the rest has probably been given as loans by the primary land mortgage banks themselves, and some part may be kept on other investments. The recent amendment to the Land Mortgage Banks Act whereby all the mortgages obtained by the Primary Land Mortgage Banks will *ipso facto* become mortgages to the Central Land Mortgage Bank, will tend to prevent the Primary Land Mortgage Banks from lending out their funds themselves and divert them as share capital into the Central Land Mortgage Bank. If, in addition, the proportion between the share capital and loans in primary land mortgage banks is raised from 5 per cent to 10 per cent, at least in respect of loans exceeding Rs. 1,000 the shares in the Central Land Mortgage Bank will increase by about at least Rs. 10 lakhs every year. The ultimate objective should be that the Central Land Mortgage Bank should find the bulk of the funds it requires from its owned capital. Efforts in this direction of increasing the share capital in the Central Land Mortgage Bank will not only add to the loanable funds of that bank but will also promote thrift in the countryside and bring more rural savings which are so necessary for curtailing inflation.

This point about share capital brings me to the question of the two classes of share-holders which your Central Land Mortgage Bank has. I find that only 124 of the share-holders are primary land mortgage banks, while 499 are individuals. The Co-operative ideal is that a central financing organisation should be composed if not exclusively of affiliated societies, at least predominantly of such societies. From the co-operative point of view, the individual share-holders of the bank are far too many. I realise that it will be hard to eliminate them all on a sudden but it would be a wholesale policy if the Central Land Mortgage Bank could put a limit at the present number of 499 individuals and stop admitting fresh individual members. By degrees, they may eliminate the individual share-holders by transferring all their shares to primary land mortgage banks as and when they become available. This is the policy adopted by the Madras Provincial Co-operative Bank and I am sure it will be welcomed by the primary land mortgage banks. By this process of elimination the bank will become more and more their own.

Gentlemen! I shall not keep you longer. But a reference has been made to the constitution of a Revolving Fund out of which extensions might be given to borrowers on their loans when calamities like cyclones, earthquakes etc., arise. I appreciate the need for such a fund, but how it should be built up is the question. I understand that it is being examined by the Registrar and when concrete proposals emerge I shall give them my sympathetic consideration. In conclusion, I wish to say that the suggestions I have made today are based on my knowledge of Co-operation and out of my desire to help the Land Mortgage Banking movement forward and assist the agricultural masses of this State. I hope they will receive your earnest consideration at this Conference. I have great pleasure in declaring the Conference open and wishing it every success.

Problems of Our Land Mortgage Banks*

SRI B. VENKATARATNAM,

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

Hon'ble Chief Minister and Brother Co-operators,

It gives me great pleasure to welcome you all to this, the 21st Conference of representatives of Primary Land Mortgage Banks. This is a unique occasion as I am welcoming on behalf of the Board, one of its erstwhile members. The Hon'ble Chief Minister is an old co-operator, whose intimate association with the movement for a quarter of a century extends to all branches of co-operation. He was on the first elected Board of Directors of the bank and was on the Board from 1939 to 1946, when he resigned on accepting a ministership in the Government of Madras. It is, therefore, a matter for congratulation to all of us that he occupies now the highest place in the public life of the Madras State.

Since 1938 when Congress assumed the responsibility of running the administration of the State, great attention is being paid to improve the lot of the agriculturists. To this end, measures have been taken by the Government to spread the knowledge gained by research in Agricultural Science amongst the farmers and increased facilities are being provided in the form of irrigation, supply of manures, implements and above all, timely credit through the Co-operative movement. These efforts of the Government would have shown themselves to better purposes if times were normal. Even in these abnormal times, Government's efforts for ameliorating the condition of the agriculturists are praiseworthy and have produced good results. The pressure on land at present is indeed high and if the standard of life of the agriculturist is to be improved, it can only be achieved by organising agro-industries and cottage industries on an extensive scale. Government are at present engaged in these schemes. I hope, they would advantageously make use of the existing co-operative machinery in this direction.

The provision of long-term credit to agriculture in our State has made good progress, thanks to the consistent support given by the Government in this behalf. During the last 21 years of its existence, the Central Land Mortgage Bank has disbursed loans to the extent of Rs. 7.5 crores. The amount outstanding viz., Rs. 4.09 crores bears different rates of interest. This variation in the rates of interest is due to the fact that the bank has always followed the principle of regulating its rate with reference to its borrowing rate and the margin to be maintained between the borrowing and lending rates as per Government's orders. The present position in this respect is that the ultimate

*Welcome Address at the 21st Land Mortgage Banks' Conference held in Madras on 17-2-1951.

borrower in land mortgage banks is charged $5\frac{1}{2}$ per cent on his loan, as the bank has been able to borrow in the market at 3 per cent. The market conditions are perceptibly deteriorating as may be observed from the decline in the value of Government securities. The fall is striking in the case of long dated securities. As our debentures are issued for twenty years and therefore come under the category of long-dated securities, it is becoming increasingly difficult to command the necessary credit at the rate of 3 per cent. Notwithstanding these adverse conditions in the market in general, the last flotation of 45th series of debentures of the value of Rs. 40 lakhs was a success because of the generous and willing help afforded by the Reserve Bank of India and the Co-operative institutions of the State. In this connection, I have to mention one fact that some of the big Insurance Companies, which have their Head Offices outside Madras State and who write a fair proportion of business in this State deriving considerable amounts as premium income, have been evincing no interest in these debentures. They recognise that the debentures of this bank provide excellent security in as much as they are backed by first mortgages of agricultural land valued on a conservative basis and supported also by the Government's guarantee of both the principal of and the interest on these debentures. They also recognise that the land mortgage debentures form the one enduring link between Insurance Companies and agriculturists and that this is the one channel through which funds at the disposal of Insurance Companies can be ploughed back to agriculture for the mutual benefit. For, in our country, by far the largest portion of the business of any company can come only from the agriculturists. Still our appeals to the leading companies to invest a small percentage of their annual premium income in our debentures have yet to meet with the success they deserved. In the interests of the agricultural industry, it is necessary that a certain percentage of the long-term funds available with Insurance Companies should be invested in land mortgage debentures. I appeal to the Government to consider and recommend to the Government of India to devise a scheme by which these companies will contribute their mite in making available cheap credit to the agriculturists.

The Reserve Bank of India have been taking keen interest in the working of the co-operative movement. They have recently held a conference at Bombay of experts in co-operation and from the brief summary of the proceedings that appeared in the press, the conference does not seem to have discussed the position of long-term finance.

All the Committees and Commissions on agricultural finance have uniformly recommended the provision of long-term credit at low rates of interest. The Gadgil Committee on agricultural finance has laid considerable emphasis on the need for providing long-term credit at a cheap rate not exceeding 4 per cent. Under the existing conditions of

the money market, it is impossible for Land Mortgage Banks to lend money at this rate. It is for the Government and the Reserve Bank of India to make necessary provision and lend the required funds to the Central Land Mortgage Bank at a low rate of interest to enable it to pass on the benefit to the agriculturist at 4 per cent. The Commonwealth Bank of Australia which is the counterpart of the Reserve Bank of India in that country, has a mortgage banking department and provides the long-term funds required by that department by transfer of 25 per cent of its annual profits to that department for the purpose. If Government make necessary provision in the Reserve Bank of India Act for the creation of such a department and transfer a reasonable portion of the profit to that department to enable it to lend the money at low rates of interest to the agriculturists for long-term purposes, it would go a long way in securing cheap long-term credit to the agriculturists.

We are passing through difficult times and great changes are urged in every sphere of life. Agriculture has also received its share of attention by the protagonists of land reforms. Apparently they hold the view that unless the ownership of the land vests in the tiller of the soil, production cannot increase. Our Government have appointed a Committee to examine and report on the agrarian reforms to be introduced in the State. How far it is necessary in the interests of increased production to transfer ownership rights, is a matter which requires to be examined carefully. And even when the conclusion is reached that such transfer of ownership to the tiller is necessary, it should be effected with the least disturbance to the economy of the people. In the United States of America, which is one of the biggest agricultural countries in the world, systematic work has been done in this direction and credit facilities have been made available to tenants, who wish to buy farms and become owners. They have gone a step further and provided necessary assistance in other directions to improve their status in life. In considering agrarian reforms, our Government will have to see that the tenant becomes an owner by paying for the land he acquires and that he is provided with the necessary finance and technical advice to be an efficient and contented farmer. I wish to assure the Hon'ble Chief Minister that the Government can utilise the services of the bank in this behalf to the best advantage of the people at large.

With the elimination of the Zamindaris, large areas have come under the direct revenue administration of the Government. Considerable areas under Mittas and Zamindaris have not been surveyed and settled. This bank has been urging on the Government the need for undertaking this piece of work for the benefit of the agricultural population of those areas. So far, a major portion of the big zamindari remains unsurveyed. Unless this is done, institutional credit cannot be made available to the ryots of those areas. I appeal to the Government to give priority

to this matter and take up the survey and settlement of such areas with the least delay.

The Madras State has been passing through an agricultural crisis for the last four years. The monsoon in some of the southern districts has failed for the fourth year in succession. Naturally there is a great clamour for postponement of instalments payable to the land mortgage banks as the agriculturists are not able to supply even their primary needs, due to failure of crop. This bank has however not been able to accede to their requests.

My predecessor urged in 1949 that there is an urgent need for the Government to constitute a revolving fund from which instalments may be drawn by land mortgage banks on certification by a duly appointed Governmental authority. At the last Conference, I made a reference again to this important subject and requested the Government to reconsider their decision rejecting our appeal. The Bank has not so far been favoured with any reply in the matter. This year the distress of dry areas beat all comparison and it is time that careful consideration is given to this important subject. My plea for constitution of revolving fund receives further strength now that land mortgage banks have been started in the dry areas of Rayalaseema, Guntur, Trichinopoly and Madura Districts. The Board of Directors, after careful consideration, have recommended to the Government the sanction of loans on the exclusive security of systematically cultivated dry lands and this recommendation is pending approval of the Government. Whenever there is failure of rain, the crop in these rainfed areas, is bound to fail and with it, will arise the question as to wherefrom the instalment is to be collected. The Government are spending large amounts to stave off famine. The agriculturists, in these dry areas, will be benefitted by land mortgage banks and if a portion of famine fund, is diverted for the purpose of Revolving fund, I feel sure it will be an act, which will be appreciated by the agriculturists of these dry areas, for whose benefit the Government have been putting their best efforts. I request you, Sir, as one, who knows the difficulties, of the agriculturists, to examine the proposal, appreciate the difficulties the ryots are undergoing and sanction the constitution of revolving fund.

The valuation of lands taken for security in land mortgage banks is governed by Governmental orders passed from time to time. The last one on the subject was issued in 1943 and Government ordered therein that the hypotheca can be valued on the basis of the prewar sales statistics of similar lands with the addition of 10 per cent. Constant representations have been made both in this conference as well as in the District conferences and communications are received from several banks that the basis adopted is too low and highly unrealistic to be of help to

the agriculturists. The Board of Directors considered this matter and appointed a Special Committee, which among other things recommended the enhancement of the valuation on prewar statistics from 10 to 25 per cent. The draft resolutions, now circulated to members, disclose how greatly primary banks are agitated over this decision. I hope the Government will pass orders early approving of these very reasonable proposals of the Board, I appeal to my brother Co-operators assembled here to accept the recommendation of the Board in a spirit of helpfulness and work them. If, after some time, it is felt that there is a case for further revising the basis of valuation, necessary steps may be taken. I wish, however, to emphasise that the good reputation the Central Land Mortgage Bank has built up all these years is due not a little to the conservative valuation of the hypotheca and consequently the high security it has been able to offer to the debenture holders. It should be our aim to live up to the reputation and any step in regard to valuation and acceptance of security should be taken only after mature deliberation.

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K. GOVINDA WARRIER,
Secretary.

Advice to Co-operators in Travancore-Cochin*

SRI R. SURYANARAYANA RAO, B.A., M.L.C., (MADRAS).

Brother Co-operators,

From a note kindly sent to me I find your Institute has had a chequered career. But it is gratifying to note that the period of travail is almost over and it can now look forward to a career of usefulness free from troubles which beset its growth for a number of years. Though quarter of a century is not a long period in the life of an Institution the fact it has survived the many adverse circumstances which at one time threatened its very existence and is now in a position to plan extension of its activities is a sure sign of its vitality and growing strength. From an account of its present position and the activities it has undertaken, I cannot help feeling that these augur well for the future of the Movement in this State. However, I feel I shall be failing in my duty if I do not take advantage of the privileged position accorded to me and say a few words on the importance of propaganda and education for the growth of the co-operative movement. In doing so, it is just possible I may say something which is not altogether complimentary to the Movement in the State and the work of the Institute. Pray, do not consider me as abusing your hospitality. It is my anxiety that the Movement in this State should grow from strength to strength which impels me to speak frankly what I feel should be your future plan of action.

Though in the early years of the Movement the co-operative societies were mainly organised to provide the economic needs of its members, there is no denying the fact it was always recognised that their aim is broader and embraced all aspects of the individual's life. Social betterment was deemed as important as economic activity. It may be in the beginning we in this country laid emphasis on the economic activity. But there have been and there are Raiffeisens in our country who have time and again reminded us of the object of the Movement as the improvement of its members both materially and morally. The Rochdale Pioneers, to whom also we turn for inspiration, made it a principle that the co-operative movement should contribute its mite for the promotion of education. Even a cursory acquaintance with the progress of the Movement in the West will convince any unprejudiced observer that the moral aspect has received there equal emphasis as the economic aspect. The Movement in our country has been in existence sufficiently long that time has come when it is necessary for us to emphasise its moral aspect as well, as on that depends the real success of the Movement. While the scope and need for activities calculated to promote the welfare of the society are immense,

*Presidential Address delivered at the Silver Jubilee Celebration of the Travancore Co-operative Institute on 2nd February, 1951.

our Movement has devoted very little attention to this aspect. May I humbly suggest that the Co-operative Institute through its journal, pamphlets, lectures and such other means can do a great deal for the inculcation and promotion of this vital aspect of the Movement. There should not be one issue of the Institute's journal which will not contain one or more articles emphasising the educational, health and other social needs of the community and how the co-operatives can satisfy them. I plead in all earnestness that this ideal of co-operation should be ever present in the minds of co-operators and for that purpose it is necessary to remind ourselves constantly the duty we co-operators owe to the community. Our motto is 'Each for all and all for each.' and let us try to live up to it.

Our country is essentially a land of villages, and agriculture is the main occupation. In recent times the production of food has assumed great importance. The food problem is more acute in your State than in many other parts of the country. However difficult it may be to achieve it, we cannot and should not brush aside with scant attention the ideal of self-sufficiency. To work up to that ideal must be our endeavour. In the achievement of that ideal we solve many of our economic and social problems. Speaking in 1948 our revered President of the Union Republic who was then the India's Minister of Agriculture uttered these words which must commend themselves to all of us, more so to co-operators as the duty cast on us is real and we cannot shirk it. He said :—

We have in the villages of this country a lakh and half of co-operative societies with a working capital of over Rs. 80 crores. Can we not mobilise all this manpower and divert the main energies of these societies to the programme of food production? Can we not utilise them as the agents of Government for such agricultural improvements as are independent of importation of foreign machinery or fuel or fertilisers which cannot reach us in due quantity and time? Can we not with their help stud the countryside with numberless seed farms under registered growers so as to multiply improved seed in the briefest time possible and distribute it easily over the widest area? Can we not employ their services for our entire programme of green and dry organic manure and also such fertilisers as are to be used for the production of food? Will they not be the best instruments for a programme of loans for agricultural improvements borrowed from Provincial Co-operative Banks which would in turn receive advances from the Reserve Bank of India for agricultural research and reform to the semi-literate and illiterate cultivators? Cannot these co-operative societies be made use of for creating part-time staff who will receive training and in turn train the agriculturists?

Need I say that our co-operatives can perform all these tasks and even more and prove efficient instruments of increased production, improved economic life and moral uplift? It should, therefore, be our endeavour to educate our co-operatives to live up to these ideals and fulfil the expectations their presence rightly raises. What better work can await the Co-operative Institute than the tasks set out in the extract read above? May I again plead that the Institute should address itself to these tasks and ensure the success of the measures which the Government may promote for the improvement of agriculture and increase of food production? What better ally can the State find for their purpose than the Institute whose co-operation must be welcomed, nay even sought, in this great work of production?

Owing to the courtesy of my esteemed friend Dr. P. J. Thomas I have been favoured with a copy of the interim Report of the Cottage Industries Committee of which he is the Chairman. Those who have even a cursory idea of the condition prevailing in the State know that the production in the State has not kept pace with the increase in population. I am not sanguine at all that even if all the available land is brought under cultivation the production will be enough to maintain the growing population. Moreover, pressure on land must be relieved if agriculture is to pay. Therefore, the Thomas Committee have drawn attention to the growth of unemployment due to increase in population without corresponding increase in production. The committee opine, and in my opinion rightly too, that the problem of unemployment has assumed such serious proportions as to demand immediate remedies. In the opinion of the committee the situation is unique. Industrialisation is the panacea for the existing unemployment and low standard of living. To relieve pressure on land they have even suggested diversion of population in the industries and other non-agricultural occupations. In other words the committee demand a conscious endeavour to change what they choose to call "occupational pattern". The committee plead for improvement of production technique and the utilisation of the available cheap electric power for the promotion of cottage industries. The committee are of opinion that for increased production some satisfactory arrangement must be ensured for supplying capital and providing marketing facilities for cottage industries. This is a field in which co-operative endeavour must play its part. As the committee observe "it must be our aim to strengthen the co-operative agency, extend its work and make it more effective." You have already two Central Cottage Industries Societies in the State. I am sure that the Institute will examine this question and suggest in what direction they should be strengthened in order to extend the scope for their activities as indicated by the Thomas Committee. A lead should come in such matters from the Institute as the premier Co-operative Institution in the State. I have no doubt that it will address itself to this important task. May I also mention that similar

observations were made by the Hon'ble Sri N. Gopalaswamy Iyengar when I met him at Madras after this tour in this State. He felt the organisation of Cottage Industries, the use of power for the purpose, the harnessing of latent talent in production technique and the natural aptitude for skilled work would transform the beautiful countryside into centres of activity providing lucrative occupations for its teeming millions.

To enable the co operatives to play their part in the improvement of the material and moral life of the people, especially the rural folk, they should be properly organised and worked. Those in charge of their working and those comprising it should be fully aware of their duties and responsibilities. They should all know and believe in the principles and practice of co-operation. Realising the importance of this fact, all over the world and in all countries, propaganda and education form an essential and integral part of the co-operative movement. We have not given these in our set-up the importance they deserve. It is no exaggeration to say even in the best of societies the members are hardly aware of the moral and spiritual basis of co-operation. Without proper appreciation of the moral and spiritual values of co-operation and an earnest endeavour to translate them into practice, mere appeal to material benefits will lack the force so very necessary for the vitality of the Movement. Therefore, propaganda should be continuous and sustained. No particular method for this purpose can be considered effective. Every means should be adopted to emphasise the moral and spiritual values of co-operation and they should be constantly emphasised so that in practical working they are not lost sight of. It is needless to emphasise that the efficiency of the co-operatives and their usefulness depend largely to the extent the members become aware of their obligations and act with a due sense of responsibility.

As elsewhere even in your State the agency employed for this purpose of propaganda and education has undergone many changes. Now the responsibility devolves entirely on the Institute. That is as it should be. But the area served by the Institute is so large : I am not surprised that it is not in a position to discharge its duties to the satisfaction of even those whom it seeks to serve. What is the alternative proposed by those who are conscious of the need for propaganda and education of villages? Either on the ground that there is no other agency or such an agency cannot be easily created, the appointment of adequate Government staff for the purpose is suggested. While it is true to have some agency, be it official, rather than have no agency at all should be welcomed, the Government staff associated as it is with supervision, control and audit is least fitted for this important task. The officials, even after Independence, cannot be expected to move freely with the people, identify themselves with their lot and inspire confidence and trust which are so essential for

the success of propaganda. Moreover, it is our experience that official propaganda is more costly and the results less satisfactory. I feel so far as propaganda and education are concerned, they should be in the hands of the non-officials who may be given all the assistance they need to discharge their duties effectively. But even in the non-official organisation such as your Institute there is need for decentralisation. There should be what we may call the Local Propaganda Unions. The Local Propaganda Union should consist of representatives of all affiliated societies of the local area. The Institute should be the co-ordinating agency providing a common line of action and a common propaganda front. The Local Unions should be provided with propaganda materials. There should be an expert staff at the headquarters to guide and supervise the activities of the Local Unions. Of course there should be a staff under the Local Unions also which should visit every village in their jurisdiction to teach the villager in familiar style the principles and practice of co-operation. Films, slides, graphs, charts, leaflets and pamphlets etc. should be freely used to make the propaganda practical and realistic. Topics, relating to the welfare of the village folk, should also form an essential part of the propaganda. The Institute may even be provided with a propaganda van including the radio. All these efforts are sure to succeed in breaking the apathy of the villagers and make them interest themselves in a Movement which is for their moral, economic and spiritual uplift. I have no doubt with the set-up I have suggested, the Institute will prove to be more useful. All this is so far as propaganda and education of the villagers is concerned.

There is another aspect of education which has become equally important. The Movement in all States including yours has reached a stage where the satisfactory working of even the existing institutions and their future development call for a systematic effort at imparting appropriate training to the personnel employed by them. What is known as the Madan Committee in Bombay and the Co-operative Planning Committee have also emphasised the importance of the training of the personnel employed in co-operative institutions. The Madan Committee in particular has suggested the structure of co-operative education at three levels—district, regional and provincial. They merit every consideration. According to the Madan Committee the establishment of the Co-operative Training College completes the co-operative educational edifice. In your State you seem to have completed the edifice without foundations. Such a structure is bound to collapse at any time. Training of the personnel such as supervisors, bank secretaries and other executives on the regional level, must be arranged. That task devolves on the Institute and it must face it. It should immediately undertake the work of training supervisors. I do not know what arrangements exist for training the personnel of the Department. I do not see any reason why the Department should make separate arrangements. Closer co-ordination in this regard yields better

results at less cost. Therefore, the teaching activities of the Institute and the Department, if there are any, must be amalgamated. As elsewhere especially in Bombay, you must build up healthy traditions of close co-ordination of work between officials and non-officials as the future of the Movement depends in that direction.

While there are many amongst my listeners who are in favour of the set-up I have suggested for propaganda and education, they may ask how are the finances required for the various organisations to be secured, I agree finance is the crux of the problem. The supervision fund collected is hardly enough to meet the cost of supervision. I shall be failing in my duty if I fail to answer this pertinent point. While the State must come forward in the initial stages to give the necessary assistance, sooner or later, the sooner the better, the Movement must be able to do without State subsidy though the duties performed are to some extent those which ought to be performed by a welfare state. But to promote self-effort and sustain it enabling it to take even the place of the State should be equally the endeavour of the State and the co-operators. I find your State makes a lump sum grant of Rs. 30,000 per annum to the Institute and Rs. 5,000 for the supervising unions. Not only this assistance should be continued but if necessary the quantum of grant may even be increased for at least some years. Meanwhile statutory provision should be made in the Co-operative Societies Act providing for compulsory contribution to the educational fund of the Institute. I understand a Bill for providing a uniform law for the State of Travancore-Cochin relating to co-operative societies is now on the anvil. May I respectfully suggest to your State Government to avail of this opportunity and introduce a provision such as that recently finds a place in the Bombay Co-operative Societies Act. The provision reads as follows.—

89 A. "Every Society which pays a dividend to its members at a rate of 4 per cent, or more, shall contribute towards the educational fund of the Bombay Provincial Co-operative Institute at such rate as may be prescribed."

The contributions thus obtained may be allotted on a certain basis to Local Unions to enable them to perform the functions I have already suggested in regard to education and propaganda.

In the earlier portions of my address I have envisaged the part the co-operatives have to play in promoting the moral and economic uplift of the people especially the rural folk. To enable them to undertake activities or assist such activities as are calculated to contribute in a substantial measure towards this end, the co-operatives should be free to devote their surplus funds after satisfying their statutory obligations in respect of reserve fund and the educational fund. The present statutory limitation regarding the allocation of profits for social service purposes

restricts the discretion of the societies undertaking or assisting such objects on a noteworthy scale. In the proposed bill now before your State Council a limit of seven and half per cent is fixed. Even if the limit cannot be removed, can it not be placed considerably higher? The Bombay Act has raised the limit to 20 per cent of the profits. I hope it will be possible to raise it in your State also. In Bombay the contribution is subject to the approval of the Bombay Central Co-operative Institute whereas in other States, in your State in particular, it is subject to the approval of the Registrar. This is also a direction in which provisions in your proposed Statute may be modified. At least prior consultation with the Institute may be provided. I also find the restriction on dividend, is at a rate not exceeding seven and a half per cent. I feel this is too liberal and it can be usefully reduced to 6½ per cent so that more money will be available for educational fund and social service purposes. There is always the natural hankering for dividends. We should not unduly encourage it in the interests of the Movement.

The question of integrating the two Institutes which still exist viz. Cochin and Travancore, will have to be tackled. It may be the existing Institutes may be converted into regional unions as suggested by me and a new Institute for Travancore-Cochin may have to be set up. Once integration is decided upon, mutual adjustments should be possible to bring about a real union. I hope your Institute is taking suitable steps for the purpose. The sooner the integration is accomplished, the better for the future of the movement.

I am wishing to refer to one important point to which I wish to draw your pointed attention. It is in regard to what some people consider as principle of honorary work. To accelerate progress and secure solid results it is time we give up the principle of honorary work. Those of you who have either read or seen the progress of work achieved in the West in the sphere of social service cannot but be struck by the orderly progress achieved and the business-like manner in which the affairs of Institutions are conducted. While office-bearers may be honorary as far as the executives of organisations are concerned such as the Secretary who has to carry on day to day administration they are usually paid salaries and in rare cases honorarium. It is needless to say that such emoluments as are paid are real incentive to good work. It is time we in this country also change our point of view and believe in paid work. Many of our Institutions have grown and need all the attention we can give if they are to be sustained and their growth ensured. I must confess I have no patience with those who enthrone patriotism and self-sacrifice as virtues and allow inefficiency and indiscipline to creep into our growing institutions. As you are aware even members of Legislature are paid salaries. The fact they are receiving salaries has in no way affected their sense of self-respect. May I venture to say in most cases the salary given has proved a real

incentive to good work enabling them to devote more attention and time to the needs of their constituencies and the increasing amount of work in the legislatures. It is wrong to think that simply because a person receives a salary he loses even his representative character. Our Movement is growing and the problems facing it are daily increasing, demanding unstinted devotion and undiverted attention. How this devotion and undiverted attention so very necessary for the promotion of the Movement can be possible unless those engaged in the work are rewarded with suitable emoluments? Let us co-operators face facts and not allow foolish sentiment to influence us in our attitude to paid work. Even in this matter, let us turn to the West for inspiration, where organisational work is of a very high order and results are equally gratifying.

Before I conclude you will permit me to refer to a matter on which co-operators in your State may be somewhat exercised. You may remember that at the conference held at Neyyattinkara, a resolution was passed requesting your Government to appoint a small committee to examine the Statutes in force in Travancore and Cochin and suggest an integrated Act and the system of administration. The proposed committee, it was recommended, may also take stock of the progress of the Movement in the two States and suggest a scheme of integrated development. Many of the suggestions I have made in this address would have been considered by that Committee and wherever necessary they would have also found a place in the Amending Bill. I do not know what the intentions of your Government are in that matter. May I beg of them to incorporate such of the suggestions as are acceptable in the proposed Statute itself though other matters including stock-taking may await their consideration? Accustomed as I have been to espouse causes which often, do not receive the support of the Government, I am not surprised at all at the attitude of seeming indifference on the part of your State Government to the suggestions we made at the Neyyattinkara Conference. But whatever may be their attitude, let us not as co-operators swerve from our path of duty but continue to reiterate our demands as long as we consider them necessary and reasonable. Our persistent efforts are bound to yield results though not as quickly as we wish them to be. Let us console ourselves in the words of the poet.

I do not ask to see the distant scene ;

One step enough for me !

Some Resolutions of the XV North Arcot District Co-operative Conference, 29.1.1951

Whereas varieties of Iron and Steel not required by local ryots are allotted to Co-operative Societies, and whereas Chemical Manures are not supplied in seasons when they are required and whereas there is delay or frequent alteration in fixation of prices, this Conference is of opinion that these disadvantages could be avoided if the procurement of Chemical Manures and Iron and Steel is transferred from the Agricultural Department to Co-operative Department as distribution is done by Co-operatives. The Registrar is requested to take over the work even if it should entail additional responsibilities which may include the allotment of quotas by his Department to the ordinary trade channels.

This Conference resolves to request the Government to grant whole sale license to every wholesale stores for mill cloth including Binny and Mettur mill quotas.

Resolved that a co-operative textile spinning mill be started in this district on Co-operative basis.

This Conference resolves to request the Government to extend electricity to the villages in this district as it will help the Food production by fitting electric motor pumps in wells for irrigation purposes.

This conference resolves to request the authorities concerned to arrange to advance loans upto Rs. 3,500 for the purchase of oil engines and pump sets for a period of 10 years and 20 times the paid up share capital of the members.

This Conference resolves to request the Government to arrange for the inspection and checking of the accounts of the societies by the officers of the Sales Tax and Income Tax Departments at the head quarters of the Societies concerned.

This Conference resolves to request the Government to grant stockist licenses to the wholesale stores to stock agricultural implements and iron and steel materials required by agriculturists consistent with the requirements of the District.

This Conference resolves that loans to the extent of Rs. 5,000 be given by the sale societies to their members on the pledge of produce.

Resolved to request the Registrar and the Government to grant subsidy or interest free loans to urban Co-operative institutions to enable them to own their buildings and godowns and to enable them to undertake all kinds of banking activities with a view to bring in more people within the fold of Co-operation and to be of real help to all those who seek assistance from Co-operative Institutions without prejudice to their profession.

This Conference resolves to request the Government to grant subsidies to the Agriculturists to deepen their existing wells or to remove the rocks from such wells just as they give subsidies for digging new wells.

This Conference resolves to request the Government to exempt the primary milk supply societies from sales tax.

This Conference resolves to request the Government to grant at subsidy of 50 per cent of the cost of Chemical Fertilisers supplied to the agriculturists.

This Conference resolves to request the Registrar of Co-operative Societies, Madras to issue instructions to the societies suggesting amendments to bylaws 30 and 60 b fixing the remuneration to panchayatdars as Re. 0-8-0 per cent of Principal collections and Rs. 3-2-0 per cent of interest collections and 5 per cent of the purchases or sales less the estimate charges paid.

This Conference resolves to request the Registrar of Co-operative Societies to organise Land Mortgage Banks for every Taluk and to fix the head quarters of the Banks at the head quarters of the Taluk.

This Conference resolves to request the Madras Provincial Co-operative Bank and the Reserve Bank of India to arrange for the collection of the Commission of 3 pies per cent of the remittances made by societies as is now done in the Bombay Presidency.

JUST OUT.

The Bombay Co-operative Societies Act.

(As last amended up to 30th June 1950.)

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Copies Available at:

The Co-operators' Book Depot.
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A Note on the Working of the Balayalagudem Cottage Industries Society, Vijayawada (Krishna Dt.)

The Balayalagudem Cottage Industries Co-operative Production and Sale Society Ltd. No. H. 1727 organised by the Ameliorative staff, for the benefit of the ex-tappers exclusively, had been registered on 30-6-49 and was started on its work on 30-7-49 with 21 members on its rolls and a paid up share capital of Rs. 77. The authorised share capital of the society, is Rs. 2,000 made up of 2,000 shares of Re. 1 each, and the area of operations of the society is extended to the whole of the Bandar town. With a view to provide part-time work to its members, particularly to the women members of the society, and also to the ladies of the male members, it introduced tape-weaving and the plate leaf stitching. To create interest in the female members and to give them proper training in these industries it had employed an Instructress on a monthly salary of Rs. 80. Gradually the women have begun to evince interest in these industries and then taken up to these industries in earnestness. During the year 1949-50 the society could provide work to 91 women and paid them wages to the extent of Rs. 480-5-0. It was able to manage, to carry on the business, without any outside borrowings. It secured yarn for tape weaving from Binny Company and also locally. Its total purchases of yarn during the year amounted to Rs. 520 and for plate-leaf stitching it purchased raw materials such as leaves, etc., to the value of Rs. 400-8-0. The sales amounted to Rs. 675-10-0 to the consumers direct, and to the local co-operative stores. The society had incurred a loss of about Rs. 100 on account of plate-leaf-stitching industry but in the other industry namely tape weaving it not only recouped this loss by about 50 per cent but it was able to establish a good reputation and make a good name in this industry i.e., tape weaving not only in the town, but in the neighbouring villages as well. The society got prepared 16 looms for the use of the members from out of its own funds. Because of the heavy initial expenditure in the 1st year of its business, the society has incurred a net loss of Rs. 280-11-0 for the year ended 30-6-50. The membership rose to 117 and paid up share capital to Rs. 708 by the end of the year.

During the 2nd year of its business, i.e., 50-51, as the business increased, it had to go in for outside borrowings also. The society borrowed twice from the Krishna Central Co-operative Bank to the extent of Rs. 1,860. The question of yarn to the society has become a problem to it. The society has been experiencing much difficulty in this respect. It approached the Madras Provincial Weavers co-operative Society for regular supply of yarn but it refused to supply because it is not a weavers co-operative society and not a member. Through the help of the Special Development Officer, Vijayawada, the society is being supplied yarn by the Madras Provincial Handloom Weavers Co-operative Society though not regularly but every now and then. The society has applied for membership also. Because of lack of regular supply of yarn to the society,

there has not been expected improvement in the matter of tape weaving industry. At the same time, the society has been able to provide work to its members with the scant supplies of yarn. During the half year ended 31-12-50 the society purchased yarn worth Rs. 617-2-0 from the Madras Provincial Handloom Weavers Co-operative Society and for Rs. 1,072-9-0 locally. It has been carrying on the other industry also namely the plate-leaf-stitching. It purchased raw materials worth Rs. 125-6-0. It paid wages on the whole to the extent of Rs. 796-13-0. The total sales effected by the society during the half year amounted to Rs. 3,432-7-0, mostly to local co-operative stores. There was stock worth Rs. 122-2-0 on hand at the end of the half year.

The net results of the industry during the period are as follows: The plate-leaves-stitching industry had resulted in a loss of Rs. 50 but the navar-weaving industry, not only recouped this entire loss, but also earned for the society a gross profit of Rs. 382-9-0 and reduced the net loss of Rs. 280-11-0 for 49-50 to Rs. 26-9-0.

The society has arranged for wide publicity of its products through exhibition of slides in local cinema halls. The quality of the tape produced by it has itself established a good market for it.

The Society is affiliated to the local central bank and the supervising union. There was a balance of Rs. 1,180 due to the Krishna Co-operative Central Bank out of its borrowings of Rs. 1,860 from it, during the year.

The society has been maintaining a note-book inviting the remarks of the visitors. Mrs. Nayak, the wife of the District Collector, Krishna visited the society once and was pleased to make the following observations. "These who are engaged in it are doing it out of love for labour."

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Further particulars can be had from the undersigned:
B. S. VIJAYAGOPAL, B.A., B. COM.
Secretary.

Multipurpose Co-operative Activity in Madras

[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 was published in our September 1949 issue.—Editors]

1. The Yadlapalli Multipurpose Co-operative Society (Guntur Dt.)

The Yadlapalli Multipurpose Co-operative Credit Society was registered on 29-5-42 and was started on its work on 10-6-42, with 16 members and with a share capital of Rs. 92. Its area of operations extends over the villages of Yadlapalli and its hamlet Dundepalem which is within a distance of one mile. The authorised share capital of the society is Rs. 5,000 while the maximum borrowing power of the society is Rs. 60,000 and the individual maximum borrowing power is Rs. 2,000. The society has on date 31 members with a paid up share capital of Rs. 1,130.

The society was converted into Multipurpose co-operative credit society at its general body meeting dated 9-5-50 by adopting amendment to bylaw No. I and the same was registered by the Dy. Registrar of Co-operative Society Guntur. The panchayat of the society resolved to apply for a short-term loan of Rs. 1,000 in their meeting held on 15-9-42 and for a forecast loan of Rs. 2,000 in their meeting dated 19-11-45. The society in its general body meeting dated 12-4-47 resolved to apply for the articles.

Again in the panchayat meeting dated 12-4-47 the directors resolved to apply for a forecast loan of Rs. 1,000. Another resolution was passed to apply for a forecast loan of Rs. 20,000 in the panchayat meeting dated 22-10-47. The society applied for a cash credit loan of Rs. 25,000 in its panchayat meeting dated 30-7-50.

The society was selected for the distribution of chemical fertilisers to ryots during the year 1950-51 and as such the society purchased $31\frac{1}{2}$ tons of Ammonia sulphate for Rs. 11,337 and 9 tons of super phosphate for Rs. 2,186. It distributed the stock of $31\frac{1}{2}$ tons of Ammonia Sulphate and 9 tons of super phosphate to 213 ryots for Rs. 13,959, and earned a gross profit of Rs. 435. The society was also selected for a distribution of iron and steel implements and the society was allotted to Chebrolu firka for the distribution. The society purchased $11\frac{1}{2}$ tons of iron and steel tyres for Rs. 4,204-8-0 and distributed to 110 ryots of 21 villages. Out of the purchased tyres the society sold the iron and steel tyres for Rs. 2,871

earning a gross profit of Rs. 270. Still there are 133 tyres unsold worth Rs. 1,603. Arrangements are being made to issue agricultural loans to the members and also to admit more members thereby raising the share capital.

2. The Kollar Multipurpose Co-operative Society, (South Arcot District.)

This Society was registered on 11-4-1915. There are at present 129 members on the rolls with a paid up share capital of Rs. 1,544. It has invested Rs. 681 in the shares of the South Arcot Co-operative Central Bank and Rs. 75 in the shares of the South Arcot District Co-operative Central Stores Ltd., The maximum borrowing power of the society is Rs. 20,000. As on date 116 members are indebted to the society to an extent of Rs. 14,659 in 134 loans. The society is indebted to the extent of only Rs. 13,972 to the South Arcot Co-operative Central Bank and there are no overdues to the District Bank either on account of Principal or interest. Only 7 members are defaulters and the overdues from members amount to Rs. 601, under principal and Rs. 36-11-0 under interest, and only one of the loans to the extent of Rs. 3-11-3 under principal and 0-2-6 under interest is overdue for over one year. It is expected that even this small amount of Rs. 601 under principal and Rs. 36-11-0 under interest will be collected during the present harvest season, and the society classed as one of the best run rural credit societies. The executive management of the society is invested in a panchayat consisting of 5 members. The President and Secretary of the society, Messrs. Muthuswami Reddiar and Ramaswami Reddiar are evincing a keen interest in the development and proper working of the society, especially on the side of multipurpose activities within the framework of the bylaws. The society has been sanctioned a cash credit loan of Rs. 1,900 for meeting its short term requirements and for financing the several agricultural operations such as, sowing, weeding, harvesting and marketing of the members' produce and a further cash credit of Rs. 500 was sanctioned on 18-9-50 for undertaking the purchase and sale of handloom textiles. The society is making the best use of the cash credit accommodation sanctioned to it and is periodically converting them into short term loans under the scheme of *post sanction of loans*, which is working well in this district.

This society took up multipurpose activities only from 12-9-49 and within a year, it has undertaken multipurpose activities dealing with handloom and mill textiles, stationery, distribution of chemical manures, etc., It has so far purchased mill made and handloom cloth, stationery, etc., to the value of Rs. 1,023 and sold goods worth Rs. 998 with an unsold stock of Rs. 103-6-0 which will be disposed of soon and has benefitted 110 members. It has purchased 1 ton of ammonia valued at Rs. 380 and distributed it to 80 members. It is only after 35 years of working the society, the members have realised how useful a rural credit society can be in catering to their all round needs.

The society was inspected by the Deputy Commissioner of Prohibition (Amelioration) and Joint Registrar of Co-operative Societies, Madras, on 30-10-50 who was much impressed by the steady progress made by the society.

3. The Vaithiwarankoil Multipurpose Co-operative Credit Society (Tanjore District.)

This society was registered on 2-12-1918 at Vaithiwarankoil an important place of pilgrimage and commenced functioning from 20-4 1920. The area of operations of the society extends to the villages of Edakudi Vadapathi and Kadiramangalam villages. The society has on its roll 221 members with a paid up share capital of Rs. 2,248 on 31-12-1950.

The net assets of the members as per the property statement comes to Rs. 4,45,852. The Maximum borrowing power of the society was Rs. 20,000 and has been raised to Rs. 35,000. After the introduction of the reorganisation scheme, so as to enable members to avail of the credit facilities available through the society. The individual maximum borrowing power of the society is Rs. 2,000. The outstanding under Central Bank loan as on date is Rs. 19,595.

During the year 1949-50 a sum of Rs. 12,945 was issued as loan to members. The outstanding loan against members comes to Rs. 21,375-14-0 as on this date.

The society has a reserve fund of Rs. 1,062-10-0 out of which Rs. 1,003-2-0 is invested in the Co-operative Central Bank, Ltd., Kumbakonam. The society has invested Rs. 510 in the Co-operative Central Bank, Ltd., Kumbakonam, and Rs. 50 in the Tanjore Central Co-operative Stores, Ltd., Tiruvarur, as share capital.

Under the scheme of reorganisation of rural credit societies the society has undertaken multipurpose activities. The society has opened a rice ration depot also. The society is enjoying a cash credit accommodation of Rs. 500 from the Co-operative Central Bank, Ltd., Kumbakonam, for multipurpose activities.

The society purchased chemical fertilizers and groundnut cakes to the value of Rs. 638-4-0 for joint sale among its members.

The volume of business transacted under multipurpose activities during the period from 1-7-50 to 31-12-50 is given below.

1. Sale of controlled articles.

		Rs.	A.	P.
Rice	...	31,277	10	11
Wheat	...	679	11	8
Sugar	...	2,685	3	5

2. Others.

Coffee seeds	...	790	0	8
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To promote the habit of thrift among the members Hundi boxes have been distributed among them and collections are being made.

G.O.'s and Circulars

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

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

No. D. 24321/51-X. 4

Dated 14-2-1951.

Sub :—Housing—Rural Housing—Loan application from Rural Housing Societies—preparation of—Instructions—issued.

Twenty housing societies have so far been registered under the Rural Housing Scheme sanctioned in G. O. No. Ms. 1494 Development dated 14-4-50. It is proposed to organise about 25 more societies during the next financial year. Now that some of the rural housing societies where members already own sites are ready to submit loan applications, the following instructions are issued for guidance. The instructions issued from time to time in regard to the preparation and submission of loan application in respect of urban housing societies will apply *mutatis mutandis* to rural housing societies. In districts where Special Development Officers are functioning, rural housing societies will be in their charge and loan applications will be scrutinised and recommended by them to the Registrar. They should watch the progress of construction of houses and will be held responsible for the safety of the Government loan. The drawal of the instalments of the loan will however be made by the Deputy Registrars on the recommendation of the Special Development Officers. In bifurcated districts the Deputy Registrars should attend to all items of work relating to the rural housing societies.

2. Loan Applications.

Rural Housing Societies are formed on the individual ownership basis and a separate application for loan should be made by the society on behalf of each individual member. The system of sanctioning loans on a group basis is no longer in force; each application will be treated as a unit by itself. The site and the house erected on it should be mortgaged to the society which in turn will assign them to Government together with collateral securities, if any, obtained from the member as security for the Government loan obtained on his behalf. The form of loan application in use in Urban Housing Societies (prescribed in the Registrar Circular No. C. 4579 of 29 dated 10-12-29) may be adopted by rural housing societies also. As the number of forms required by the societies will be a few, say about 25 to 30, the form need not be printed; manuscript or cyclostyled form may be used. To each application the following should be enclosed.

- (i) Accompaniment to the loan application.
- (ii) A statement of the assets and liabilities of the applicant with his probable annual income and expenditure and the net savings.

- (iii) A legal opinion on the title of the applicant to the site.
- (iv) (a) A blue print of the type design.
(b) Detailed Estimate.
(c) Abstract Estimate.
(d) Specification in the prescribed form.
(e) Soil certificate and durability certificate from a qualified Engineer.
- (v) A resolution of the Board of Directors of the society.
- (vi) A letter of consent of the applicant agreeing to the special conditions recommended by the Deputy Registrar where they are imposed.
- (vii) An upto date balance sheet of the society, with a short note on the working of the society.

Note :—Plans and estimates etc., required in item iv (a) to (e) need not be enclosed to each application, if houses are proposed to be built according to type designs. In such cases, it is enough if the complete set of type designs with estimates etc., suitably numbered is sent in duplicate to the Deputy Registrar, who will retain one set for his reference and submit the other to the Registrar. In the individual loan applications, the type of the house proposed to be built should be referred to by its appropriate number of the design. Similarly if a batch of loan applications is sent *at a time*, it is enough if the Balance Sheet and short note on the working of the society (item vii above) is attached to one application and a reference made to it in the other application.

3. Plans and Estimates.

According to bylaws 38 and 47 of rural housing societies, the houses under the scheme should be built with durable materials and the plans and estimates should also be approved by the Registrar. Where type designs are proposed to be adopted, the society will do well to send them in advance to the Registrar with the necessary estimate, specification and Engineer's certificates so that they may be approved by the Registrar. Where houses are proposed to be built according to individual plans, the approval to the plan and estimate will be accorded by the Registrar at the time of sanctioning the loan. Once the plan has been approved there should be no material deviation from it without the previous approval of the Registrar. Unauthorised deviations from approved plans will result in the forfeiture of the Government loan and the summary recovery of the amounts already advanced. Proper care should be taken to ensure that estimates are prepared carefully in the first instance itself with reference to local prices and scrutinised by competent technical men; for, additional loans on the plea that the original estimate was an underestimate will not at all be considered. This should be impressed on the rural housing societies and their members.

4. Share Capital.

The Share Capital should be collected in cash. Under bylaw 49 it should constitute 1/3rd of the Government loan applied for on behalf of a member. The whole of the share capital need not be collected in full before the application is recommended, though there is no objection to a member depositing the full amount with the society. Ordinarily it will do if a member takes a nominal share or shares and pays the balance after the Government loan is sanctioned. Before the drawal of the first instalment of the Government loan, the share capital deposited by the member should be issued as loan to him and it should be utilised in the construction of the house. Where a member has begun the construction with his own resources or has collected building materials, the actual value of the work in progress *exclusive of the cost of the site* or the actual cost of the materials collected, as the case may be, can be permitted to be adjusted towards the share capital of the applicant, treating the amount as a loan issued to him. Care should be taken to see that the value of the house site is not permitted to be adjusted towards share capital in any circumstance. It is the duty of Deputy Registrars to satisfy themselves that the requisite amount of share capital has been collected from the applicant before the first instalment of the Government loan is disbursed to the society.

5. Title to the Site.

The legal opinion should be comprehensive and self contained—Vide Registrar's circular No. 35548/47 Z. I dated 8th December 1947. The original title deeds and discharged documents should be sent along with the legal opinion to the Registrar for perusal. Where the house site in question has not been purchased by the applicant and where he has no title deeds to establish his ownership the procedure outlined in the Registrar's Circular No. 30436/50 IV dated 13th June 1950 should be followed and an indemnity bond as prescribed in Registrar's circular No. Rc. 121564/50 Z. I dated 30th October 1950 obtained. Where the house site is acquired under the Land Acquisition Act, no legal opinion is necessary since the lands acquired under the Land Acquisition Act are transferred to the Society by Government free of any encumbrance. Where members jointly purchase a block of land by private negotiation and divide it among themselves, it will be economical to have the title of the Vendor examined by a competent lawyer before the sale is concluded, so that legal opinion for individual applications can be dispensed with. Each application should be accompanied by an encumbrance certificate for 12 years prior to the date of application. A second encumbrance certificate should be obtained from the date of the first encumbrance certificate upto the date of execution of the assignment deed by the society in favour of Government. The third encumbrance certificate should be obtained 4 months subsequent to

the date of execution of the mortgage bond by the member—Vide Registrar's circular No. 53829/50. Z. I dated 16th November 1950. If the applicant is a member of an undivided Hindu Joint family the presumption being that all Hindus are members of undivided joint families till the contrary is established,—he should obtain a declaration in the form prescribed in Registrar's Circular No. Rc. 102227/50 Z. I dated 1st September 1950 from his coparceners to the effect that they have no interest in the site and the house to be built by the member, or all the coparceners should join in the execution of the bond.

6. Repaying Capacity.

The normal period of payment of the Government loan is 20 years. It is essential that the applicant should have a steady source of income for this period with sufficient margin to cover the annual instalments due on the loan. In the covering letter the Special Development Officers or the Deputy Registrars as the case may be, should state the age of the applicant and discuss his repaying capacity with reference to his annual earnings, expenditure and net savings. Where the members happen to be professional men, like school teachers village doctors etc., the period of repayment should be fixed with reference to the instructions contained in Registrar's circular No. D.4155/48 Z. I dated 5th May 1948. The following instructions should be borne in mind in examining the repaying capacity of persons whose main-stay is agriculture. Where the repaying capacity is adequate and the applicant is 50 years or below, no additional security will ordinarily be required. But in case where the repaying capacity borders on the margin likely to be affected by adverse reasons, it may be necessary to obtain collateral security to ensure the prompt repayment of loans. Where the applicants are over 50 years of age, it may be necessary to make one of the adult earning members of his family or a person who is interested in the property after the death of the borrower, join in the execution of the bond and guarantee the regular payment of the loan. In the matter of obtaining collateral securities no hard and fast rules can be laid down. Each case will have to be decided on its merits having regard to the following considerations, namely—

(i) that the site and the house built on it form the prime security for the Government loan; (ii) that houses are not so readily marketable in villages as in urban areas; (iii) that the conditions for obtaining state aid for constructing houses in villages should not be made too rigid to discourage deserving villagers from availing themselves of it; and (iv) that the safety of the Government money should be ensured at all costs.

7. Drawal of Instalments.

After the loan has been sanctioned, the connected papers will be returned to the Special Development Officer or Deputy Registrar, as the

9. Indents for Materials.

Where the society proposes to collect building materials on behalf of members under the joint purchase system as provided in by-law No. 43, indents should be obtained from members of their requirements and the cost thereof should be collected in advance or appropriated from the loan instalment on the authorisation of the members concerned. Clear accounts should be maintained for the purchase, incidental expenses incurred and distribution of the materials. The Directors should act only as agents and the society will not be liable for any loss arising out of the transaction. In the case of controlled materials like iron and steel tubes and pipes, cement, Government timber etc., indents from societies should be obtained and submitted to the Registrar in the prescribed form on the due dates along with indents from urban housing societies. In the case of cement, Deputy Registrars themselves may forward the firm indent of the society to the Honorary Regional Cement Controller concerned. Indents for the supply of Government timber should be submitted to the Registrar for transmission to the Forest Utilisation Officer, Madras.

The Registrar hopes that all officers will go through these instructions carefully and submit complete reports so that there may be no occasion for him to return the loan application or make interim references calling for further information.

J. C. RYAN.
Registrar.

8. Inspection of Buildings.

At least on month's previous notice should be given to the Public Works Departmental officer concerned before the excavations for the foundations are made so that they may arrange to satisfy themselves regarding the adequacy of the foundation and to inspect the building during the course of construction as required under rule 12 of the rules governing the grant of state loans to co-operative housing societies. After the building is completed, it should be got valued by the Public Works Department in the first instance and should thereafter be valued every year by the Deputy Registrars or the Special Development Officers as the case may be, and the annual valuation report prescribed in the Registrar's circular No. 6280/28 dated 9th May 1929 sent to the Registrar on or before 31st August of every year. It should be borne in mind that the value of the completed house with the land should always exceed the Government loan by $33\frac{1}{3}$ per cent.

Telephone : 34519. Telegram : SAHYOG.

The Provincial Industrial Co-operative Association, Ltd.

9, Bakehouse Lane, Fort, BOMBAY 1.

For the Producer Societies arranges supplies of :—
Yarn, Chemicals, Dyestuffs, Raw Hides, Raw Skins, Tanning materials, Tanned Leather etc.,
Machines, Tools, Equipment etc.

Offers facilities for Marketing :—
Handloom Textiles (Cotton & Woollen), Metal work, Sandalwood, Rosewood, Pure Honey, Ivory and Horn Arts and Crafts, Silk, Jari, Leathers and Leather goods, Edible Oils, and Charcoal etc.

Letters to the Editor

Food Procurement and Distribution in Statutory Rationed areas

Sir,

According to the new Policy of the Madras State Government, except in surplus districts, there will be no procurement in other districts. But at the same time it is the responsibility of the Government to supply the requisite rations to the people living in Municipal areas. The Government will have to depend upon the surplus procurement in the surplus districts and the imported food grains. But I feel even this would cost considerable difficulty and hardship. To obviate this I would suggest that people living in Statutory Rationed areas like Municipalities whether land owners or not may be given permission to procure their requirements after the quantity has been fixed by the rationing authorities within the district and transport them into the Statutory rationed areas. Such a concession is now given only to land owners living in statutory rationed areas. If this concession is given to even non-land owners living in statutory rationed areas it would be of immense help for the city dwellers since they could procure the necessary quantity at the proper time and also the quality they like best. It will also lessen the strain on the Government machinery for procuring to such people.

I request the Government to give their best consideration in this matter.

MATHURAI.

T. NARAYANA PILLAI.

The George Town Co-operative Credit Society, Ltd., No. 8512
 29, Krishnappa Naicken Agraharam Street, G. T. Madras.
 (REGISTERED IN 1928.)

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.

Books in Brief

The Co-operative Movement in India : By Eleanor M. Hough M.A., Phd. (2nd Edition, Oxford University Press PP. XXI—402 Price Rs. 15.

The first edition of the book appeared in 1932, carrying an introduction in generous terms from Sir Horace Plunkett who described the author as a "young American lady, passing through London on her way from India to the United States." The book was a dissertation for a Doctorate degree at the George Washington University, and the result of personal investigations conducted over the greater part of a year on the Indian Soil. The years since 1932, in the author's words, "have been rich in lessons, some bitter, some encouraging." It is to recount these lessons that the author has essayed upon in the present edition, and the reader will readily agree that she has been highly successful in her task.

Co-operative Commonwealth is the declared objective of the constitution of India. It has also been the cherished objective of Gandhiji. Co-operation in India is in no experimental stage. It is nearly fifty years old. The number of Co-operative Societies in the Indian Union was 164,000 in 1948-49 and the number of members and working capital of these Societies were Rs. 127.1 lakhs and 219.49 crores, respectively. Co-operative Store Movement has made a phenomenal progress in the last decade as is shown by the eleven-fold increase in the number of Consumers' Co-operative Societies from 400 in 1938-39 to 4,542 in 1947-48.

These figures are impressive in their magnitude, but all this development is however the result of the paternal care of Government and the abnormal conditions of the war years. Due to the official nurture that has initiated and sustained the Movement, Dr. Eleanor considers co-operation in India more as a Policy than as a Movement. It has not sprung from the masses as in Germany, Italy, Denmark, Holland or Ireland in recent times, or the Chit Fund, Nidhi, etc. in South India in ancient past. "The wretched condition of the Indian masses", she adds, "forbade delay until the prerequisites of co-operation on orthodox lines were forthcoming." The State had therefore to step in, initiate and guide the Movement.

The progress of the Co-operative Movement from the beginning, one has to admit, has been rather one-sided; it has remained dominantly a credit movement and for the benefit of the rural population. Comparatively small progress has been made on the non-credit side although in recent years there has been an extension of co-operative enterprise to other sectors and a steady growth in Multipurpose Societies. The phenomenon will shortly be manifesting itself in the establishment of a Co-operative Cotton Textile Mill of 12,000 spindles and a productive capacity of 750, bales at Guntakal in Madras State.

Extension of the Movement into pastures new is quite gratifying. But the contribution of the Movement to social and economic benefit requires careful assessment of its share in meeting the diverse needs of a dynamic and expanding economy. One may turn to agricultural credit to assess the situation. The most urgent need of the cultivator is finance, next in importance only to water. His requirement of credit for agricultural purpose has to be met both in time and adequately. Too much of insistence on the value of assets mortgaged rather than on integrity and repaying capacity of the borrower is a deviation from orthodox co-operative spirit which sets a greater store by moral integrity than material assets. The rigid insistence on personal surety in the case of property-less members is to undermine what the Rayalaseema Co-operative Enquiry Committee call "Code of Co-operative Morality." This inherent weakness of co-operation to measure the credit-worthiness by the magnitude of the assets that are mortgaged or surety that could be produced smacks of the capitalist preference for material wealth. This weakness denies finance or aid to the the most deserving but penurious members endowed with high ability and resourcefulness.

Despite concentration on the credit side in the agricultural sector, the Movement has but touched the fringe of the problem. Expenses of cultivation in this State are estimated to be of the order of Rs. 200 crores per annum but Co-operative Credit Societies provide only about Rs. 6 crores or 3 per cent of the total requirements and this after forty-five years growth. The Land Mortgage Banks, the only agency to provide cheap long-term credit to the cultivator have granted Rs. 77.73 lakhs or 4 as. per acre of net area sown in 1948-49 and this was the largest amount lent by it in any one year ever since its inception. The needs of long-term credit for land improvement and reclamation etc. are prodigious and the part played by Land Mortgage Banks has been infinitesimal. This is not to minimise or underrate the contribution of these Banks in Madras State. But this comparative study of needs and availability of credit leads to the conclusion that if agriculture should be developed quickly to meet the growing demand for food and agricultural raw materials, credit facilities of short, medium and long-term should be provided more abundantly. This should be done, if necessary, by new credit institutions to supplement the co-operative credit already available. This situation is clearly grasped by Dr. Eleanor Hough. She welcomes the establishment of Agricultural Credit Corporations recommended by the Gadgil Committee (1945) in all States where co-operative financial agencies are unable to cope with the demand for credit.

The urgency for such a credit organisation to supplement the efforts of the Co-operative Movement is real. The present co-operative credit structure in the course of about half a century has been able to provide only 3 per cent of the short-term requirements. Even if certain of the

more patent defects in the existing co-operative structure be removed, no appreciable progress appears possible in the immediate future. In this context the setting up of an agricultural Credit Corporation under State control as early as possible when Agricultural prices are in the up-grade is to be welcomed. Just as the Industrial Credit Corporation in the Industrial sector, even so the Agricultural Credit Corporation in the Agricultural sector has a real and useful role to play. It is quite likely that the competitive spirit aroused by the operation of another institution might induce co-operative institutions to strive for greater efficiency. Credit Corporations of the type advocated by the Gadgil Committee have been doing good work in U.S.A., Australia, Canada, New Zealand, South Africa, Ceylon and Egypt. This view seems to be gaining momentum as the present Conference on Rural Credit held under the auspices of the Reserve Bank of India shows.

Another development in Indian Co-operation is the slow but steady growth in Multipurpose Societies in recent years. The Rayalaseema Co-operative Enquiry Committee recommended one such society for each village. The growth of Multipurpose Societies in Madras has been noteworthy in recent years. It seems to be an effective instrument for economic reconstruction of the village. However the rapid growth of Multipurpose Societies does not find favour with Dr. Hough who cautions "hasten slowly". No doubt her fears that "unsatisfactory functioning in one or another line may be obscured and the final breakdown of the whole society brought about due to failure in a particular important direction" are justified if they are not guarded against by efficient, honest and zealous staff. Leadership of the right type is so scarce in Indian villages and it is too much to expect more than one team of right men to man a variety of single purpose societies.

In working of Co-operative Movement in India criticism is very severe in respect of the rate of interest. Even 12 or 13 years after fixing 6½ per cent as maximum rate of interest for moneylenders, the Co-operative Credit Societies have not slashed their rates to promote agricultural development. The immediate objective should be to bring the rate of interest down to 4½ per cent and the long-term objective 3 per cent. Dr. Eleanor in addition to low interest rates suggests a rate differential in favour of those making punctual repayments. Such a rate differential may create among the villagers an erroneous impression of invidious discrimination. Instead of differential rates, a system of bonus on punctuality of repayments is advisable and this bonus may be paid out of the Common Good Fund.

Dr. Hough belongs to that school of co-operators who view compulsion as antithetic to co operative and democratic ideals. Her fear of the entry of the wolf of compulsion into the co-operative fold however reveals

her lack of intimate knowledge of Indian conditions. For expert opinion in India has now recognised the need for an element of compulsion. This is particularly required in such urgent land reforms like consolidation of holdings. Agriculturists are dormant and lack initiative and voluntary consolidation has made but a snail's progress. The attempt made by 26 societies in Madras in this sphere in 1936 succeeded in consolidating only 1,599 acres and was deemed a failure and the experiment had to be abandoned. In the Punjab where consolidation met with a greater degree of success 1.45 millions of acres were consolidated by 1,807 societies but this was mostly due to some measure of compulsion introduced by the Consolidation of Holdings Act. The necessity for compulsion was recognised by the Central Provinces and an Act was passed in 1928. In the United Provinces too the consolidation of Holdings Act was brought into force in 1940. These legislative measures clearly indicate the desirability of stimulating co-operation by a leaven of compulsion.

Prof. Ashby, the veteran Agricultural Economist, in a thought-provoking paper on Co-operation at the last Session of the International Conference of Agricultural Economists said that the extension of the Social Welfare State has every where resulted in a set back to the Co-operative Movement. To confirm this as it were, Dr. Hough, in summing up her opinions on the Movement in India says, "the tendency to lean on Government seems to have grown very much in recent years". Reviewer, however, begged to differ. This is not only because, the alternative to State supervision and management appears to be "complete collapse of the effort", and that there exist "no potential rivals of the Movement either to replace it or to confer benefits compensating for these that would be lost if it were superseded", but also because the State intervention has actually brought about an extension of the Movement. Primary Agricultural Societies which were 105,300 in 1938-39 increased to 147,000 in 1945-46 or by nearly 40 per cent, paid-up capital of these Societies rose from Rs. 127.8 million to Rs. 164.6 million, deposits from Rs. 27.7 million to Rs. 54.3 million and working capital from Rs. 31.62 million to Rs. 38.01 million during the same period. Primary rural stores alone have increased from 21 in 1938-39 to 1,132 in 1946-47, their membership rose from 2,888 to 249,000 or by 86 times and paidup capital from Rs. 17,000 to Rs. 5,329,000 or by 314 times and the volume of business increased from Rs. 351,000 to Rs. 48.05 million or by nearly 137 times. It must be said that supervision by Government agency does not really conflict with co-operative democracy. Though Co-operation has certainly not worked the miracle its original sponsors hoped for, Dr. Hough herself admits "it has undoubtedly taken a place among the constructive forces working for the regeneration of the country". Governments have been doing their part fairly well; but it has so far been more of a "Policy rather than a Plan"; for a policy is but directive; a plan is essentially executive. The people on whom the movement is to confer beneficial results have not brought to play their part. If Co-operation should extend its services and transform the economy of the country and usher in the ideology of Co-operative Commonwealth in its plenitude, the next phase of the Co-operative Movement has to be something more than bare "voluntariness".

A remarkable attempt at a revaluation of past experiences and catch a new perspective. We are grateful to Dr. Hough.

B.N.

The Madras Provincial Co-operative Union Supplemental List of Practical Training Examination Results.

PASSED IN PART IV.

Rajahmundry Centre.

1. Butchi Raju, V.

Reg. No. 3599.

(This candidate having passed Parts I, II and III in April 1950 examination has now passed Part IV (Practical Training) and thus completely passed the examination.)

ERRATUM

Erratum to April 1950 Examination results published at page 119 of August 1950 issue of the Madras Journal of Co-operation

Passed in Part I.

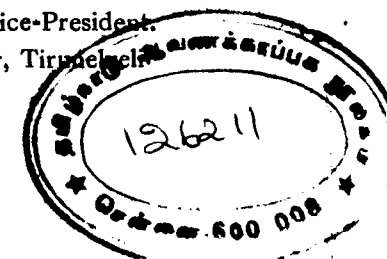
Tanjore Centre.

Regd. No. *8771 For Kailappan, C.T. Read Kaliappan, C.T.

The Co-operative Fire & General Insurance Society, Ltd., Madras

At a Meeting of the Board of Directors of the Society held on 7.1.51 the following were elected as Executive Committee for 1951-53.

- 1 Sri T. M. Chinnayya Pillai, M.A., B.L. President.
- 2 „ G. Gurusappa Naidu, Chittoor, Vice-President.
- 3 „ M. D. T. Kumaraswami Mudaliar, Tirunelveli.
- 4 „ N. Papaiah Choudry.
- 5 „ V. Seetaramiah.
- 6 „ V. M. Ghatikachalam, Madras.



Handwritten notes and stamps at the bottom right corner, including '126211' and '151.42-9'.

The Madras Provincial Co-operative Bank, Ltd.

At a Meeting of the Board of Directors of the M.P.C. Bank, Ltd.
held on 21-1-'51, the following were elected as
Executive Committee for 1951-53.

- 1 Sri T. A. Ramalingam Chettiar, B.A., B.L., M.P., (President), Coimbatore.
- 2 „ B. Venkataratnam Choudary, M.L.A., (Vice-President), East Godavari District.
- 3 „ P. L. Narasimha Raju, M.L.A., Vizianagaram.
- 4 „ N. A. Ramachandra Murthi, Amalapuram, E. Godavari Dt.
- 5 „ G. Kottayya Choudry, Chinnagedalavarru, P.O., Guntur Dt.
- 6 „ R. Dasaradarama Reddy, Nellore.
- 7 „ R. Naganna Gowda, Hospet, Bellary Dt.
- 8 „ K. A. Nachiappa Gounder, M.L.A., Salem Dt.
- 9 „ M. M. Kunhirama Menon, Calicut.
- 10 Dr. P. Natesan, M.B., B.S., Madras.
- 11 Sri N. R. Samiappa Mudaliar, Nedumbalam, Tanjore Dt.
- 12 „ T. S. Muthukumaraswamy Pillai, Karur, Trichy Dt.
- 13 „ A. Ramachandram Pillai, Tirupattur, Ramnad Dt.
- 14 „ S. B. P. Pattabhi Rama Rao, Madras.

The Chennimalai Weavers' Co-operative Production and Sale Society, Ltd., No. K. 885.

(Ingur R. S.) CHENNIMALAI P. O. (Coimbatore Dt.)

Popular House for fashionable Sarees in
fast colours and attractive designs,
Towels, Dhoties & Gada pieces
in counts 20s to 30s.

*Attractive terms to Co-operative Institutions
and Exporters.*

M. P. NACHIMUTHU, B.A., B.L.
President.

Extracts

Co-operative research in the Americas

I Latin American farmers benefit from tests

The year 1942 marked the beginning of technical assistance which the United States Department of Agriculture has been lending to those people in North and South America who are engaged in agricultural research. One of the outstanding achievements in this effort has been the development of co-operative research centres.

Today, joint agricultural research stations have been established in Peru, Guatemala, El Salvador, Nicaragua, Ecuador and Bolivia. In these stations, U. S. scientists and technicians are working in co-operation with their Latin American counterparts. In addition, scientists from the U.S. are also presently working in nine other Latin American countries in special agricultural surveys or projects.

Maintained by a staff of seven full-time U.S. scientists in co-operation with Peruvians, the first co-operative research centre was established in 1942 at Tingo Maria, in the vast tropical region of the Amazonas, in Peru, to give the new farmer-settlers from coastal areas the benefit of local research. These scientists are specialists in soils, plants, animals, farm-planning and rural life.

The centre staff, through demonstration gardens, proved to the colonists that vegetables, such as cabbage, egg plant, lettuce, kale, and sweet corn, could be grown in the tropics.

The research staff on this joint project are also working on crops which would be profitable for the colonists to raise for exports, with a view to augmenting the national income of Peru. Experiments are being conducted with rubber, quinine, insecticides, tea, fibres and cacao. As a result, health and living conditions improved in the Amazonas and a new farming region was opened up.

War spur

During World War II, the search for new sources of vital materials which were formerly produced in the Orient but which were cut off due to the war in the Pacific, spurred on the programme of technical co-operation between the United States and the Latin American countries. The plants from which natural rubber, quinine, fibres, and insecticides are derived are native to many of these countries but production in the Western Hemisphere had fallen off through the years.

In Guatemala, a co-operative station was set up to carry on quinine research during the war. This research has now been extended into many new agricultural projects, the finding being passed on to farmers. For instance, coffee-growers have been shown how they can double or treble their yields by planting selected stock and by using better cultural methods. A new, well-balanced economical feed for poultry and hogs, based entirely on tropical products locally available, has been developed. The rubber

production has also gained impetus due to the development of suitable rubber trees.

Better Production

The joint research station at El Salvador has been carrying out a programme of improved agricultural production. Its research has borne fruit in the shape of doubling the coffee yield at the experimental plot and in the introduction of a variety of rice that yields twice as much as native varieties. New grain sorghums demonstrated by the station produce three crops a year instead of one crop with the old varieties.

The problem of erosion is also being tackled. Heavy rains have been washing the topsoil down the mountainsides to the valley below. Now this erosion has been slowed down by planting trees which include citrus, cedar, and mahogany.

Development of poor soil

In Nicaragua, the co-operative agricultural station has a programme geared to the development of commodities best suited to meeting and improving the conditions characteristic of that country, including poor soils, heavy rainfall in some areas and low rainfall in others. The station has demonstrated that ipecac, a tropical medicinal plant, can be domesticated and grown as a cultivated crop, thus increasing the efficiency of its production.

Experimental production of abaca, commonly known as Manila hemp, is being carried out to determine the potentiality of this important fibre crop.

In Ecuador, the U. S. and local scientists of the co-operative research station are working together to improve the country's cacao industry which has dropped off 65 per cent in the past two decades. Some success has been attained by combatting the two plant diseases, witches'-broom and pod rot, which were chiefly responsible for the decline of the crop.

The newest of the co-operative stations was established about three years ago in Bolivia. The scientists from both countries are working in co-operation with each other to set a basis for agricultural expansion in the country's tropical lowlands which now lie waste. This project is similar to the first station at Tingo Maria, Peru, where co-operative research made colonization possible.

II New insecticide kills livestock pests

As a result of Point 4 technical co-operation, a powerful new insecticide derived from the pine woods of the United States holds out a promise of higher living standards not only for the rural population of the Americas, but for other cattle-breeding areas of the world.

The insecticide, known as "toxaphene," was developed during World War II, but it is only now becoming well-known among the farmers of the United States. Toxaphene is derived from camphene, a product of turpentine which is derived from forests in southern United States.

EXTRACTS

Tests carried out recently indicate that toxaphene is outstandingly effective in controlling the insect pests that have up to now taken an immense toll of Latin American livestock, resulting in meat losses, damaged hides and even cattle deaths.

Toxaphene was first produced by scientists of the Hercules Powder Company and the Standard Oil Company. The insecticide was then successfully tested on livestock in the United States by the scientists of the Department of Agriculture. Later on they helped to introduce it into Latin America. Agricultural leaders of Brazil, Ecuador, Costa Rica and Nicaragua were among those who were quick to realize the possibilities of the new insecticide and they fully co-operated with the United States in her endeavours.

In warm areas

It is in the warm, lowland areas of Central and South America that the new insecticide promises to be of greatest use, for it is there that insects and ticks flourish and it is there that great numbers of beef animals are raised. Few, if any, animal escape infestation by the cattle ticks, the warble flies, or lice and flies of other species. These insects are heavy drain on the animals, causing them to require more feed and to gain weight slowly. Infested cows give little milk. With the possible exception of the tick, none of these pests have been satisfactorily controlled in the past.

After the earlier efforts to control these insects had been initiated in Costa Rica and Brazil, the Foreign Agricultural Relation Office of the U.S. Department of Agriculture took up the work as one of its technical co-operation projects. In February 1950, it set up trials of toxaphene insecticide in co-operation with the Ministry of Agriculture in Ecuador and Nicaragua. These trials were so carried out as to insure that the results obtained would withstand scientific appraisal. It is those findings that today spell great promise for use of the insecticide in the tropical areas.

The Nicaraguan test was especially revealing. The scientists of the United States and Nicaragua worked together on the project. They selected 24 cows and divided them into groups of eight. Group I was sprayed with a toxaphene mixture every two weeks, Group II every four weeks; the third group was not sprayed at all.

Careful check

A careful check of the cows at the end of seven months showed this result: Group I had an average of only four insect pest larvae per cow, Group II had 22 larvae per cow, and Group III had an average of 57 larvae each. Group I cows gained an average of 139 pounds each more than the non-sprayed Group III cows. Similar results were obtained elsewhere.

A project is now being drawn up under the Agricultural section of the Point-4 programme wherein it is proposed that similar tests will be conducted in other Latin American countries. It is also proposed that the results of these tests will be conveyed to livestock growers.

Meanwhile, the manufacturers of toxaphene in the United States are stepping up their production so that not only the growing demand in the United States but also the anticipated demand in Latin America will be met.

(From the American Reporter.)

Women's Page

England

The following are extracts from Essays published in *The Country Woman*, London. We invite similar note on the routine of the housewife in rural Madras.

"A countrywomen's day, I find, begins overnight. Are there enough dry sticks for the morning and is there enough well-water in the bucket? For when I get up in the morning the first job is to light the fire and put the kettle on. Then I let the fowls out and feed them. After breakfast out comes the bicycle and by eight o'clock I am at the Village Post Office, ready to deliver the morning mail. This is a grand job, if you live in the country. Almost everyone has a word of welcome for you, sometimes a cup of tea too Mrs. T. wants to know if I have any more gooseberries to spare. I haven't, but perhaps Mr. P. has, I must ask her. Young Joe, who drives the tractor, overtakes me on his way back to breakfast. Says he's got a nice lot of lettuce if I want some I can help myself from his allotment and welcome. Mrs. E. has been repotting her geraniums and gives me a fine plant of a double white one, complete with flower pot. Miss R. says to be sure and let her know when I want aster plants, she's got plenty When I get home I change out of my uniform and go into the garden to see what there is to be had for dinner."

A. MILLS.

U. S. A.

"Whoever wrote of the dull routine of country life hasn't been there lately. The alarm went off at 5-30 as usual. My husband brought the 5.40 cup of strong coffee with strength to walk and talk and push people out of bed.

Last night the boys' school clothes were ironed on the electric ironing board and laid out on the foot of their beds; blue jeans, loud checked shirts, socks and bandanna handkerchiefs. (Also they ran their pyjamas through the ironer to get them warm!) They dress and go about their morning chores of milking, feeding the geese, putting milo in the trough for the twelve hogs (four of the best ones go to 4H livestock show next week), giving chopped corn to the weaning calf, putting, milk, laying pellets, and fresh water in the chicken feeders (a pen of white rocks go to 4H show too.) While they do this I plug in the electric churn and fix breakfast of fruit juice, cereal, bacon and scrambled eggs, hot-buttered flapjacks and syrup. Coffee for us, cocoa for the boys.

"By now the sun is up and the low horizon of Delta country stretches hazily before us. accentuated by the ageless cypress trees that line the Bayou Banks. Little birds are surveying the thickets along the drainage ditches, testing the limbs, and singing the spring soon to come and the housings shortage for birds nests. The weeping willows are bowed over without any leaf handkerchiefs for their tears. In every direction you can hear the tractors roaring and humming as they are cutting stalks for a new cotton crop. In the fields next month, many will pick a row, and plant a row for the bumper 1948 crop is not yet gatheredand I am raising a crop that is the best crop of all. A crop of boys!"

ELEANOR HESTOR (MISSISSIPPI).

The Madras Provincial Co-operative Union ESPLANADE, MADRAS.

Proceedings of the Committee and General Body Meetings
held on 24th and 25th February 1951.

1. Proceedings of the Marketing Committee Meeting held on 24-2-1951 at 1-00 P.M.

Members Present: Sri B. Venkataratnam Choudary—Chairman.
Dr. Sri P. Natesan
Sri N. P. Swaminatha Pillai
Sri B. Satyanarayana
Sri J. Lakshmayya
Sri V. Chinnikrishna Naidu

Sri G. Viswanatham Chetty, Joint Registrar of Co-operative Societies was also present on invitation.

The following Resolution has been passed.

Resolution moved by Sri V. Chinnikrishna Naidu:—

1. Distribution of Chemical manure, Iron materials etc. to agriculturists by Marketing Societies—certificates from Village Headman or Karnam or Agricultural Demonstrator for purchase of the same—difficulties in the procedure—request for removal.

The Government have entrusted the distribution of Chemical manure, Iron materials like cart tyres, rods etc. and the fabricated iron materials for the use of the agriculturists to the Marketing Federations and Sale Societies. The local Deputy Registrars have allocated certain areas for the Marketing Federations and Sale societies. The Marketing Federations are not able to supply the agriculturists unless they produce the Village Headman's or Karnam's or Agricultural Demonstrator's certificate. Most of the village people come to the societies for buying manure without certificates. The societies are obliged to refuse supplies for want of certificates. It is therefore desirable to have power vested in the Board of Management of the Institution concerned also to issue to the ryots their requirements without the certificate of Headman, or Karnam or Agricultural Demonstrator.

It is therefore resolved to request the Government that the President of the Rural Society other than the distributing society may be authorised to issue the necessary certificate.

"Carried unanimously."

B. VENKATARATNAM,
Chairman of the Meeting.

**2. Proceedings of the Producers' Committee meeting
held on 24-2-1951 at 1-30 P.M.**

Members Present : Sri M. P. Nachimuthu Mudaliar—*Chairman*.
Sri B. Venkataratnam Choudary
Dr. Sri P. Natesan
Sri S. Thirunavukkarasu Mudaliar

Sri G. Viswanatham Chetty, Joint Registrar of Co-operative Societies was also present on invitation.

The following Resolutions have been passed :

The first two Resolutions were moved by Sri M. P. Nachimuthu Mudaliar and carried unanimously. The last resolutions was moved by Sri S. Thirunavukkarasu Mudaliar and passed unanimously.

1. This Committee requests the Government of India to allot 30,000 bales to this State immediately to alleviate the distress of Weavers of this State.
2. This Committee requests the Government of India to step up production of yarn by introducing three shifts in the Mills and arrange for adequate supply of raw materials.
3. This Committee requests the Madras State to exempt Milk Supply Societies from the Sales Tax at least to help the consumer to pay sales tax at only one stage instead of two stages as is existing at present.

M. P. NACHIMUTHU,
Chairman of the Committee.

**3. Proceedings of the Education Committee Meeting
held on 24-2-1951 at 2-00 P.M.**

Members Present : Sri N. Satyanarayana—*Chairman*.
Sri B. Venkataratnam Choudary
Dr. Sri P. Natesan

Sri G. Viswanatham Chetty, Joint Registrar of Co-operative Societies was also present on invitation.

The following Resolutions have been passed :

1. Instituting separate courses for Secretaries, Managers, Executive Officers and another for Accountants and Clerks—replies of the Institutes and the Registrar of Co-operative Societies—consideration of

“Resolved that the Registrar of Co-operative Societies be requested to admit qualified candidates who are already in the service of Co-operative Institutions as Secretaries, Managers and Accountants in the Central Co-operative Institute at Madras and in case of candidates who have been confirmed already but did not possess the necessary qualification, the Registrar is requested to exempt them and to give them the necessary training in the Central Co-operative Institute at Madras.

As it stands at present the Committee feels that there is no necessity for starting separate Institutes for training Graduates and Under-Graduates for the posts of Secretaries, Managers Accountants etc.”

2. Co-operative Training and Education—holidays for the mofussil Co-operative Institutes for 1951-52 (from 1st April 1951 to 31st March 1952)—fixing of.

“List of holidays put up is approved. The list is to be communicated to the mofussil Co-operative Training Institutes and the Registrar of Co-operative Societies, Madras.”

3. Co-operative Training and Education—construction of building for the mofussil Co-operative Institutes and Hostel—R.C. No. 62022/50. N. dated 12-1-1951 of the Registrar of Co-operative Societies, Madras—reporting of.

“Recorded. Await sanction of the Government.”

4. Co-operative Training—Oral Test for the Practical Trainees—clarification of Resolution No. 3 of the Education Committee of 23-12-1950—Letter R.C. 340/50-A 4 dated 23-1-51 of the Co-operative Central Bank, Vizianagaram—consideration of.

“No further training is necessary.”

N. SATYANARAYANA,
Chairman of the Committee.

**4. Proceedings of the Stores Committee Meeting
held on 24-2-1951 at 3 p. m.**

Members Present : Sri B. Venkataratnam Choudary—*Chairman*.
Dr. Sri P. Natesan
Janab D. K. Yusuf Mohideen Ansari Sahib,
Sri B. Ranganatham
Sri U. Giddiah Chetty

Sri G. Viswanatham Chetty, Joint Registrar of Co-operative Societies was also present on invitation.

The following resolutions have been passed :

1. What measures are to be taken to secure for the Consumers' Societies and maintain during the post control period also the present level of their business—Resolution No. 3 of the Stores Committee Meeting dated 20-8-1950 inviting opinions of the primary stores on the subject—opinions received—considering of.

“All the replies are to be sent to Mr. H. Linga Reddy and request him to formulate concrete proposals.”

2. Is it feasible to convert all Primary Stores in each district into regular branches of the District Co-operative Wholesale Stores with a view to securing economy and efficiency in their working—Resolution No. 4 of the Stores Committee Meeting dated 20-8-1950 inviting opinion of primary stores on the subject—opinions received—considering of.

“Vide Resolution No. 1 above.”

3. Is it not expedient to place Officers of the Co-operative Department in charge of Civil Supplies and make them responsible to the Collectors of the Districts concerned—Resolution No. 5 of the Stores Committee dated 20-8-1950 inviting opinions on the subject—opinions received—consideration of.

“Vide Resolution No. 1 above.”

B. VENKATARATNAM,
Chairman of the Meeting.

5. Proceedings of the Credit Committee Meeting
held on 24-2-1951 at 3.30 p. m.

Members Present: Sri B. Venkataratnam Choudary—Chairman.

Dr. Sri P. Natesan
Sri G. Sreerama Reddy
Sri R. V. Ramarao Naidu
Sri K. Lakshmayya Naidu
Janab P. Allapichai
Sri M. M. Kunhirama Menon
Sri V. R. Satyanarayana
Sri R. Rajasanthanam Pillai
Sri K. Sreenivasulu Naidu
Sri V. Jaggaraju
Sri N. S. Ramalingam
Sri H. M. Jagannatham

Sri G. Viswanatham Chetty, Joint Registrar of Co-operative Societies was also present on invitation.

The following Resolutions have been passed:

1. Resolved that due to the delay caused to the draft consolidated bill to amend the Madras Co-operative Societies Act 1932 the Honourable Minister be requested to pilot such portions of the bill as are of urgent and important nature into legislation specially the portion of the Section 28 sought to be introduced relating to the recovery of the dues of the members of the employees societies so that the present handicap and alarming overdues arisen in such societies be averted and the long felt help craved for by these institutions be met with without any further delay.

Section 28 (1) A Member of a registered society may execute an agreement in favour of the society providing that his employer or the officer disbursing his salary shall be competent to deduct every month from the salary or wages payable to him, such amount or instalments of amount as may be specified in the agreement and to pay the amount so deducted to the society in satisfaction of any or other demand owing by the member to the society.

- (2) On execution of such agreement, the employer or the officer disbursing the salary of the member, shall, if so required by the society by a requisition in writing and so long as such debt or demand or any part of it remains unpaid, make the deduction in accordance with the agreement and pay the amount so

deducted to the society. The employer or the officer disbursing the salary shall maintain such registers as may be prescribed by the Government or the Registrar from time to time.

- (3) The provisions of this section shall apply to all such agreements of the nature referred to in sub-section (1) as are in force on the date of the enactment of this section.

- (4) The provisions of this section shall apply notwithstanding any law to the contrary for the time being in force.

“Recommended to the Board and General Body.”

2. Resolved that the Sub-Committee formulated for dealing with various problems be requested to tackle such of those subjects as are of vital nature specially those of food production, construction of buildings and formation of building societies and to render such advice and help as are needed by the co-operatives interested in tackling these vital matters.

“Recommended to the Board and General Body.”

3. Resolved that the Special by-laws relating to the service conditions of the Non-official Co-operative Employees should be made applicable only to the new entrants in the Non-official Co-operative Service from the date of registration of the Special rules for the concerned institutions and that the Registrar of Co-operative Societies be addressed in the matter.

“Recommended to the Board and General Body.”

4. Resolved to request the Government through the Registrar not to impose these conditions on the Non-official Co-operative Employees who had been responsible for the speedy working of the movement in the nooks and corners of the rural area entertained before 1947 till the final decision is arrived at, by the Government, on the previous resolution.

“Recommended to the Board and General Body.”

5. It is brought to the knowledge of the Provincial Co-operative Union that in the Sub-Registrar's Office, for the registration of documents of Co-operative Institutions for above Rs. 5,000 the usual rate of registration fee is charged in full but no concession is granted in the registration fee.

It is therefore requested to recommend to the Registrar of Assurances to relax the rule and charge half the fee for registering documents of Co-operative Institutions for amounts exceeding Rs. 5,000 also.

“Recommended to the Board and General Body.”

6. This Provincial Union hereby requests the Government to permit the Co-operative Urban Banks to receive deposits from the local bodies, wherever the latter are willing to deposit their monies in the Urban Banks.

“Recommended to the Board and General Body.”

B. VENKATARATNAM,
Chairman of the Meeting.

6. Proceedings of the Executive Committee Meeting held on 25-2-1951 at 1-30 P.M.

Members Present : Sri B. Venkataratnam Choudary—*President*.
Dr. Sri P. Natesan
Sri T. Narayana Pillai
Sri P. S. Guruvu Reddy
Sri D. Mahalingam Pillai
Sri T. A. Ramalingam Chettiar
Sri M. P. Nachimuthu Mudaliar
Sri N. Satyanarayana
Sri V. Jaggaraju
Janab P. Allapichai

Sri A. Palaniappa Mudaliar, Joint Registrar of Co-operative Societies was also present on invitation.

The following Resolutions have been passed :

1. Consideration of the Administration Report and Audit Review for the year 1949-50.
“Place before the Board and General Body.”
2. Budget for the year 1951—52—approving of.
“Place before the Board.”
3. Hood Co-op. Institute Tanjore—advance money of Rs. 1,000—part payment of Rs. 200—paying of balance of Rs. 800 at Rs. 100 per year—letter dated 2-1-1951 of the Hood Co-operative Institute, Tanjore—consideration of.
“Balance of Rs. 800 is to be paid at Rs. 200 per year.”
4. Co-operative Training and Education—starting of a Co-operative Training Institute either at Guntur or Bezvada for the districts of Krishna, Guntur and Nellore—letter dated 14-12-1950 of the General Secretary of the Andhra Desa Co-operative Union, Rajahmundry addressed to the Registrar—Registrar's Endorsement R.C. 168165/50. N. dated 10-1-1951 with a copy of the letter of the Andhra Desa Co-operative Union for remarks—consideration of.
“Not necessary.”
5. Provincial Co-operative Societies—change of name from *Provincial* to *State*—letter R. C. 172833/50.A. dated 5-1-1951 of the Registrar of Co-operative Societies—consideration of.
“Recommended to the General Body for approval.”
6. Mill cloth trade by Co-operative Wholesale Stores—Deputation's talk with the Hon'ble Industries Minister—desirability of another interview—consideration of.
“The same deputation to wait on the Hon'ble the Chief Minister and the other Hon'ble Ministers.”

PROCEEDINGS OF THE GENERAL BODY OF THE P. C. U.

7. Harijan and Backward Class scholarships—desirability of requesting Government to grant a lumpsum subsidy to the Madras Provincial Co-operative Union for disbursement of scholarships—consideration of.
“Request the Government for a lumpsum subsidy.”
8. Madras Co-operative Societies Act as amended upto 31-12-1950—Editing of—nomination of Editor.
“Sri T. Narayana Pillai to be the Editor.”
10. Affiliation of Societies.
“Affiliate.”

The following societies have been affiliated :

1. The West Godavari District Co-operative Central Stores, Ltd. Eluru.
2. The Thungabhadra Project Co-operative Stores, Ltd. Thungabhadra Dam. P.O. Bellary District.
3. The Co-operative Land Mortgage Bank, Ltd., Nandyal. Kurnool District.
4. The Co-operative Milk Supply Society, Ltd., Nedumbalam. Tanjore District.
5. The Co-operative Milk Supply Society, Ltd., Tiruvarur. Tanjore District.
6. The Co-operative Milk Supply Society, Ltd., Narasapur. West Godavari District.
7. The Arkonam Agricultural Improvements Co-operative Society, Ltd., Arkonam. North Arcot District.
8. The Madras City Co-operative Building Society, Ltd., 675 Esplanade, Madras.
9. The Co-operative Building Society, Ltd., Narasapur. West Godavari District.
10. The Madura District Co-operative Sale Society, Ltd., 149 North Marrett Street, Madurai.
11. The Co-operative Marketing Society, Ltd., Tiruturai, Tanjore District.
12. Dis-affiliation of Societies.
“Dis-affiliate.”

The following Societies have been dis-affiliated.

1. Gunupur Taluq Co-operative Society, Ltd., Gunupur.
2. Palapatti Co-operative Stores, Ltd.,
3. Gudiyattam Koundanya Co-operative Milk Supply Society, Ltd., Gudiyattam.

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12. Sub-Committee Proceedings—ratification of.

“ Ratified.”

13. Malabar Institute—deferring of scheme for the present— Endorsement N- D. 1887/50 N. dated 5-2-1951 of the Registrar of Co-operative Societies, Madras—reporting of.

“ Recorded.”

14. Co-operative Department staff—appointing in Co-operative Institutions under Fundamental Rule 127—Security deposit of 3 months costs—protesting of.

“ The Committee considers that the rule requiring 3 months pay
in advance is unnecessary and may be disposed with.”

15. Commonwealth Conference on Agricultural Co-operation at Oxford, July 24th to 27th 1951—Delegate from the Provin- cial Co-operative Union—deputing of—Letter R.C. No. 20134/51 Q dated 14-2-1951 of the Registrar of Co-operative Societies, Madras—consideration of.

“ Sri T. A. Ramalingam Chettiar to be deputed.”

B. VENKATARATNAM,
President.

7. Proceedings of the Meeting of the Board of Management held on 25-2-1951 at 2-30 P.M.

Members Present : Sri B. Venkataratnam Choudary—*President.*

Dr. Sri P. Natesan
Sri T. Narayana Pillai
„ P. S. Guruva Reddy
„ D. Mahalingam Pillai
„ M. P. Nachimuthu Mudaliar
„ N. Satyanarayana
„ T. A. Ramalingam Chettiar
„ V. Jaggaraju
Janab P. Allapichai
Sri G. Sreerama Reddy
„ R. V. Ramarao Naidu
„ K. Lakshmayya Naidu
„ M. M. Kunhirama Menon
„ V. R. Satyanarayana
„ R. Rajasanthanam Pillai
„ D. Rajaram Reddy
„ K. Sreenivasalu Naidu
„ A. Ramachandram Pillai
„ N. S. Ramalingam
„ H. M. Jagannatham
Janab D. K. Yusuf Mohideen Ansari Sahib
Sri B. Ranganatham
„ U. Giddiah Chetty

PROCEEDINGS OF THE GENERAL BODY OF THE P. C. U.

„ S. Thirunavukkarasu Mudaliar
„ M. Somappa
„ N. P. Swaminatha Pillai
„ C. Sankara Reddy
„ B. Satyanarayana
„ J. Lakshmayya
„ V. Chinnikrishna Naidu
„ V. V. Ramaswamy Nadar
„ M. S. Palaniappa Mudaliar
„ Bikkina Ramanayya

Sri A. Palaniappa Mudaliar, Joint Registrar of Co-operative Societies
as also present on invitation.

The following Resolutions have been passed :

1. Consideration of the Administration Report and Audit Review for the year 1949-50.

“ Place before the General Body.”

2. Consideration of Budget for the year 1951-52.

“ Approved.”

3. to 8- Resolutions 1 to 6 of the Credit Committee

“ Recommended to the General Body.”

B. VENKATARATNAM,
President.

8. Proceedings of the General Body Meeting held on 25th February 1951 at 3-00 P.M.

Present : Sri B. Venkataratnam Choudary, M.L.A.—*President.*

Total Number of Members Present : 200.

Sri A. Palaniappa Mudaliar, Joint Registrar of Co-operative Societies
as also present on invitation.

The following Resolutions have been passed :

1. (a) Condolence Resolution on the demise of the Hon'ble Sardar Vallabhai Patel, Deputy Prime Minister of India.

“ Resolved to place on record the deep sense of sorrow of the
Madras Provincial Co-operative Union on the sudden demise of
the Hon'ble Sardar Vallabhai Patel, Deputy Prime Minister of
the Government of India.

Resolved to authorise the President to communicate the same to the
Hon'ble Prime Minister of India and Sri Dayabhai Patel,
Bombay.”

(b) Condolence Resolution on the demise of Dr. Sir C. R. Reddy, Pro-Chancellor of the Mysore University.

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"This Union expresses its deepest regret at the sad demise of Dr. Sir C. R. Reddy, Pro-Chancellor of Mysore University and records its appreciation of his great work in the field of Education, Politics and Literature.

Resolved to authorise the President to communicate the same to the nephew of late Dr. Sir C. R. Reddy."

2. Consideration of the Administration Report and Audit Review of the Provincial Co-operative Union for the year 1949-50.

"Sri H. M. Jagannatham, M.L.C. proposed that the Administration Report and Audit Review of the Madras Provincial Co-operative Union for the year 1949-50 may be approved by the General Body.

Sri V. V. Ramaswamy Nadar seconded for the approval.

Then the Administration Report and Audit Review were approved unanimously by the General Body."

3. By-laws—special by-laws relating to service conditions of non-official Co-operative Employees—institution of service conditions for the employees.

"Carried unanimously with the alteration of the casual leave from 15 to 20 days."

4. Amendment to By-laws Nos. I and II (c)

Existing Bylaw :

Proposed change :

i. By-law No. I

The name of the society shall be "The Madras Provincial Co-operative Union,, It shall be registered as a Co-operative Society under Act II of 1912. Its registered Office shall be in Madras. Its operation may extend to any part of the Province of Madras.

The name of the society shall be "The Madras State Co-operative Union." It shall be registered as a Co-operative Society under Act II of 1912. Its registered Office shall be in Madras. Its operation may extend to any part of the Madras State.

ii. By-law No. II (c)

"The Union" means the Madras Provincial Co-operative Union ; "The Union" means the Madras State Co-operative Union ;

iii. General : Wherever the term "Province of Madras" occurs in the by-laws it shall be substituted by the term "Madras State."

"All the amendments carried unanimously."

5. Other amendments to by-laws if any of which due notice is given.

"NIL."

PROCEEDINGS OF THE GENERAL BODY OF THE P. C. U.

6. Resolutions, if any of which due notice is given.

(i) Resolution proposing the incorporation of Sec. 28 in the Madras, Co-operative Societies Act.

(Vide Res. 1 of Credit Committee as approved by the Board.)

The resolution was moved by Sri C. Tyagaraja Mudaliar, President, The Government Telegraph Employees' Co-operative Society, Ltd., Madras and was seconded by Sri H. M. Jagannatham.

"The Resolution was carried unanimously."

(ii) Resolution proposing the tackling of food problems, etc, by the P.C.U. Committees.

(Vide Res. 2 of Credit Committee as approved by the Board.)

The resolution was given notice of by Sri C. Tyagaraja Mudaliar, President, The Government Telegraph Employees' Co-operative Society, Ltd., Madras.

The Resolution was not pressed by the mover.

(iii) Resolution regarding service conditions for non-official Co-operative Employees.

(Vide Res. 3 of Credit Committee as approved by the Board.)

The resolution was given notice of by Sri R. Rajasanthanam Pillai, Representative of Sri Kamalambika Co-operative Urban Bank, Ltd, Tiruvarur, Tanjore Dt.

"Resolved that the Special By-laws relating to the qualifications prescribed for the Non-official Co-operative Employees should be made applicable only to the new entrants in the Non-official Co-operative Service from the date of registration of the Special rules for the concerned institutions and that the Registrar of Co-operative Societies be addressed in the matter."

(iv) Resolution regarding service conditions for non-official Co-operative Employees.

(Vide Res. 4 of Credit Committee as approved by the Board.)

The resolution was given notice of by Sri R. Rajasanthanam Pillais Representative of Sri Kamalambika Co-operative Urban Bank, Ltd., Tiruvarur, Tanjore District.

The Resolution was not moved by the mover.

v. Resolution regarding concessions in the levy of Registration fees. (vide Res. 5 of Credit Committee as aproved by the Board.)

The resolution was given notice of by Sri F. X. Siluvaimuthu Pillai, Representative of the Dindigul Co-operative Union, Ltd., Dindigul Madura District.

"Recommended to the Registrar."

vi. Resolution requesting permission for Urban Banks to receive deposits from local bodies, (Vide Rec. 6 of Credit Committee as approved by the Board.)

This resolution was given notice of by Sri G. S. Rama Rao, Secretary, The Eluru Co-operative Urban Bank, Ltd., Eluru, West Godavari District, "Recommended to the Registrar."

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

"The following 15 persons have been elected as Honorary Members unanimously."

- i. Sri K. Bashayam, B.A., B.L., M.L.A.
- ii. Dr. Sri B.V. Narayanaswami Naidu M.A., PH.D., B.Com. Bar-at-law.
- iii. Sri R. Suryanarayana Rao, B.A., M.L.C.
- iv. Sri K. G. Sivaswamy, B.A.
- v. Sri S. K. Yegnanarayana Iyer, M.A.
- vi. Sri B. S. Murti, M.L.A.,
- vii. Dr. Srimathi Sundaram Ramachandran.
- viii. The Hon'ble Sri Gopala Reddy.
- ix. Srimathi B. Ammaia Raja, M.L.A.,
- x. Sri C. Tadulinga Mudaliar, F.L.S., I.A.S. (Retd.)
- xi. Sri T. M. Chinniah Pillai, M.A., B.L.,
- xii. Dr. Sri B. Natarajan, M.A., D.LITT.
- xiii. Sri Bhogaraju Venkataratnam, M.A., B.L.,
- xiv. Prof. Sri C. W. D. Zacharias, M.A.,
- xv. Prof. R. Krishnamurti, M.A.,

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

The following Office bearers were unanimously elected :—

- i. Sri B. Venkataratnam Choudry M.L.A. .. President.
(Ramachandrapuram Co-operative Central Bank, Ltd., East Godavari District.)
- ii. Sri D. Mahalingam Pillai, B.A., B.L.,
(Tanjore Co-op. Central Bank, Ltd.)
- iii. Sri D. Bajaram Reddy (Nellore Co-op.
Wholesale Stores, Ltd.) } .. Vice-Presidents.
- iv. Dr. Sri P. Natesan, M.B. B.S.,
(Madras Provincial Co-op. Marketing Society, Ltd.) .. General Secretary.
- v. Sri T. Narayana Pillai, B.A., B.L., (Tamil
Nad Co-op. Federation.) (Coimbatore.)
- vi. Sri P. S. Guruva Reddy (Tirupati Co op
Town Bank Ltd., Chittoor District.) } .. Joint Secretaries.
- vii. Sri R. Krishnamurti, M.A., (Honorary Member.) Treasurer.

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

1. Credit Committee (Total Number of Representatives: 22.)

(i) Central Banks : (7 representatives.)

Telugu Districts :

- (1) Sri S. R. Vijayarama Sreshthi (Vizianagaram.)
- (2) Sri K. Lakshmayya Naidu (Masulipatam, Krishna District.)
- (3) Sri L. Hanumantha Reddy (Kurnool.)

Tamil Districts :

- (4) Sri B. Bakthavatsalu Naidu (Vellore. North Arcot District.)
- (5) Sri M. D. T. Kumaraswami Mudaliar (Tinnevely.)
- (6) Janab P. Allapichai (Madura).

Malabar and South Kanara Districts :

- (7) Sri T. P. Ragava Menon (Malabar—Calicut.)

(ii) Urban Banks : (3 Representatives.)

Telugu Districts :

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

Tamil Districts :

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

Malabar and South Kanara Districts.

- (8) Sri K. P. Ananda Rao (Kasargod Town Bank, Ltd., South Kanara District.)

(iii) Unions : (7 representatives.)

Telugu Districts :

- (1) Sri S. Suryanarayana Deo. (Salur L. C. U. Vizag. District.)
- (2) Sri T. S. Prakasa Rao (Razole L. C. U. East Godavari District.)
- (3) Sri D. Chayappa (Dharmavaram L. C. U. Anantapur District.)

Tamil Districts :

- (4) Sri K. Srinivasulu Naidu (Uttiramerur L. C. U. Chingleput District.)
- (5) Sri N. Palanasami Gounder (Perundurai L. C. U. Coimbatore District.)
- (6) Sri G. Alagirisamy Naidu (Srivilliputtur L. C. U. Ramnad District.)

Malabar and South Kanara Districts.

- (7) Sri M. Ramakrishna (Mangalore L. C. U. South Kanara District.)

(iv) Primary L. M. Banks : (3 representatives.)

Telugu Districts :

- (1) Sri V. Jaggaraju (Amalapuram L. M. B. East Godavari District.)

Tamil Districts :

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

Malabar and South Kanara Districts :

- (3) Vacant.

(v) House Building Societies and House Mortgage Banks :
(One Representative.)

- (1) Sri H. M. Jaganatham, M. L. C. (Madras City House, Mortgage Bank, Ltd.)

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

- (1) Sri T. A. Ramalinga Chettiar, B.A., B.L., Member, Indian Parliament.

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

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

Telugu Districts:

- (1) Sri H. Linga Reddy (Bellary Central Stores.)

Tamil Districts:

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

T. U. C. S. Ltd., Madras:

- (3) Sri E. Loganatha Mudaliar.

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

Telugu Districts:

- (1) Sri B. Ranganatham (Swadeshi Co-op. Stores, Anantapur.)
(2) Sri D. V. Subbarao Choudry (Venkataram Co-op. Stores' Patchalatadiparru, Guntur District.)

Ceded Districts:

- (3) Sri U. Giddiah Chetty (Hanuman Co-operative Stores, Kurnool)

Tamil Districts:

- (4) Janab D. K. Yusuf Mohideen Ansari Sahib (Dharapuram Co-operative Stores, Coimbatore Dt.)
(5) Sri C. S. Ramachandran (Chandrasekharapuram Co-operative Stores, Tanjore Dt.)

Malabar and S. Kanara Districts:

- (6) Janab P. K. Hassan Koya (Calicut Co-operative Stores, Malabar Dt.)

3. Committee for Education and Propaganda (Total number of Representatives 9 :)

(i) *Co-operative Training Institutes: (4 Representatives)*

- (a) Sri D. Ramamohana Rao, Rajahmundry
(b) Sri P. Bayappa Reddy, Anantapur
(c) Sri M. S. Palaniappa Mudaliar, Coimbatore
(d) Sri V. V. Ramaswamy Nadar, Tanjore

(ii) *Language Federations (4 Representatives.)*

- (e) Sri N. Satyanarayana, Andhra Desa
(f) Sri T. Narayana Pillai, Tamil Nad
(g) Vacant, Kanara
(h) Vacant, Malabar

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

- (i) Sri T. A. Ramalingam Chettiar, B.A., B.L., Member, India Parliament.

4. Producers' Committee: Total number of Representatives: 7)

(i) *Madras Handloom Weavers' Provincial Co-operative Society: One (Representative)*

- (1) Sri A. J. Arunachala Mudaliar

(ii) *Primary Weavers' Societies: (3 Representatives.)*

Telugu Districts:

- (2) Sri M. Somappa (Yemmiganur Weavers Co-operative Production and Sale Society, Bellary Dt.)

Tamil Districts:

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

Malabar and S. Kanara Districts:

- (4) Sri P. Chatu (Badagara Weavers Co-operative Society, Malabar Dt.)

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

Telugu Districts:

- (1) Vacant.

Tamil Districts:

- (2) Sri S. Thirunavukkrasu Mudaliar (Coimbatore Milk Supply Union.)

Malabar and S. Kanara Districts:

- (3) Vacant.

5. Marketing Committee: (Total Number of Representatives 7:)

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

Telugu Districts:

- (1) Sri B. Satyanarayana (Viziavada Co-operative Crop Loan and Sale society, Krishna Dt.)
(2) Sri P. Satyanarayana Raju (Bhimavaram Loan and Sale Society, Ltd., W. Godavari Dt.)

Tamil Districts:

- (3) Sri A. Ramachandram Pillai (Tirupattur Marketing Society, Ramnad Dt.)
(4) Sri N. P. Swaminatha Pillai (Chidambaram Paddy Sale Society, S. Arcot Dt.)

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

Telugu Districts:

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

Tamil Districts:

- (2) Sri V. Chinnikrishna Naidu (Madura Ramnad Central Marketing Federation, Madura.)

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(iii) *Madras Provincial Co-operative Marketing Society : One Representative.*

(1) Dr. Sri P. Natesan, M.B., B.S.,

One Representative of each of the Provincial Societies, not represented on the Board as per by-law XX (1) Clause (g)

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

New Board of the Madras Provincial Co-operative Union, met at 5 p. m. on 25.2.1951 at the M. P. C. Bank Buildings.

Present : Sri B. Venkataratnam Choudary, M.L.A.—President.

(45 other members are present)

1. Co-option of five members as per by-law No. XX (1) (i)
The following have been co-opted unanimously :—
(1) Sri R. Arunachala Ambalagarar (Pudukkottai Central Bank) (Credit Committee.)
(2) Sri R. V. Ramarao Naidu (W. Godavari Central Stores) (Stores Committee.)
(3) Dr. B. Natarajan, M.A., D. Litt. (Hon. Member) (Education and Propaganda Committee.)
(4) Sri K. N. Sivam (Madras Milk Supply Union) (Producers' Committee.)
(5) Sri V. Pasupathi Mudaliar (Madura Dt. Sale Society (Marketing Committee.)
2. Election of Chairman to each of the Committees as per By-law No XXI (i).
The following persons have been elected as Chairman of the respective Committees by each Committee :—
(a) Credit : Sri N. S. Ramalingam
(b) Stores : Sri H. Linga Reddy
(c) Education and Propaganda : Sri N. Satyanarayana
(d) Producers : Sri M. P. Nachimuthu Mudaliar
(e) Marketing : Sri P. Satyanarayana Raju
3. Election of 3 Members by the Board of Management to the Executive Committee as per by-law No. XXII (2) (i)
The following persons have been elected unanimously :—
(i) Sri H. M. Jagannatham, M.L.C.
(ii) Sri M. S. Palaniappa Mudaliar, B.A.,
(iii) Sri V. Jaggaraju, M.L.A.
4. Representative of the M.P.C. Bank as per by-law No. XXII (2) (g)
Sri T. A. Ramalingam Chettiar, B.A., B.L., Member, Indian Parliament.

PROCEEDINGS OF THE GENERAL BODY OF THE P. C. U.

New Executive Committee of the Madras Provincial Co-operative Union, met at 5-30 p.m. on 25-2-1951 at the M.P.C. Bank Buildings

Present : Sri B. Venkataratnam Choudary, M.L.A.—President.

(14 other members are present.)

1. Appointing of Editor of the Madras Journal of Co-operation as per by-law No. XXII (2) (f).
“Dr. P. Natesan, M.B., B.S., has been unanimously appointed as the Hon. Editor of the Madras Journal of Co-operation.”
2. Members of the Editorial Committee—nominating of.
“The following persons have been unanimously elected as the Members of the Editorial Committee.”
(i) Sri B. Venkataratnam Choudary, M.L.A.
(ii) Dr. Sri P. Natesan, M.B., B.S.,
(iii) Sri T. A. Ramalingam Chettiar, B.A., B.L.,
(iv) Sri N. Satyanarayana.
3. Operating on the Accounts of the Madras Provincial Co-operative Union—authorising of.
“Resolved to authorise, the President Sri B. Venkataratnam Choudary, the General Secretary, Dr. P. Natesan and the Treasurer Sri R. Krishnamurti to operate individually on accounts of the Madras Provincial Co-operative Union.”

B. VENKATARATNAM,
President.

The Following is the List of Names of the Board of Management of the Madras Provincial Co-operative Union Elected on 25th February 1951 for the Triennium 1951—1953.

Executive Committee:

1. Sri B. Venkataratnam Choudary, M.L.A. *President.*
2. Sri D. Mahalingam Pillai, B.A., B.L., } *Vice-Presidents.*
3. Sri D. Rajaram Reddy, }
4. Dr. Sri P. Natesan, M.B., B.S., *General Secretary.*
5. Sri T. Narayana Pillai, B.A., B.L., } *Joint Secretaries.*
6. Sri P. S. Guruva Reddy, }
7. Dr. Sri P. Natesan, M.B., B.S., *Hon. Editor.*
8. Sri R. Krishnamurti, M.A., *Treasurer.*
9. Sri T. A. Ramalingam Chettiar, B.A., B.L., (M.P.C. Bank.)
10. Sri N. S. Ramalingam (Chairman of Credit Committee.)
11. Sri H. Linga Reddy, B.A., B.L., (Chairman of Stores Committee.)
12. Sri N. Satyanarayana (Chairman of Education and Propaganda Committee.)
13. Sri M. P. Nachimuthu Mudaliar, B.A., B.L., (Chairman of Producers' Committee.)
14. Sri P. Satyanarayana Raju (Chairman of Marketing Committee.)
15. Sri H. M. Jagannatham, M.L.C.
16. Sri M. S. Palaniappa Mudaliar, B.A.,
17. Sri V. Jaggaraju, M.L.A.

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Credit Committee:

- (1) Sri N. S. Ramalingam (Chairman of the Committee)
- (2) Sri B. Venkataratnam Choudary, M.L.A. } *Ex-Officio.*
- (3) Sri Dr. P. Natesan, M.B., B.S., } *Members.*
18. (4) Sri S. R. Vijayarama Sreshthi
19. (5) Sri K. Lakshmayya Naidu
20. (6) Sri L. Hanumantha Reddy
21. (7) Sri B. Bakthavatsalu Naidu
22. (8) Sri M. D. T. Kumaraswami Mudaliar
23. (9) Janab P. Allapichai
24. (10) Sri T. P. Raghava Menon
25. (11) Sri V. R. Satyanarayana
26. (12) Sri R. Rajasanthanam Pillai
27. (13) Sri K. P. Ananda Rao
28. (14) Sri S. Suryanarayana Deo
29. (15) Sri T. S. Prakasa Rao
30. (16) Sri D. Chayappa
31. (17) Sri K. Srinivasalu Naidu
32. (18) Sri N. Palanisami Gounder
33. (19) Sri G. Alagirisamy Naidu
34. (20) Sri M. Ramakrishna
- (21) Sri V. Jaggaraju, M.L.A.
- (22) Sri H. M. Jagannatham, M.L.C.
- (23) Sri T. A. Ramalingam Chettiar, B.A., B.L., M.P.
35. (24) Sri R. Arunachala Ambalagarar

Stores Committee:

- (1) Sri H. Linga Reddy, B.A., B.L., Chairman of the Committee)
- (2) Sri B. Venkataratnam Choudary, M.L.A. } *Ex-Officio.*
- (3) Dr. Sri P. Natesan, M.B., B.S., } *Members.*
36. (4) Sri L. N. Paramasivam Pillai
37. (5) Sri E. Loganatha Mudaliar
38. (6) Sri B. Ranganatham
39. (7) Sri D. V. Subbarao Choudary
40. (8) Sri U. Giddiah Chetty
41. (9) Janab D. K. Yusuf Mohideen Ansari Sahib
42. (10) Sri C. S. Ramachandran
43. (11) Janab P. K. Hassan Koya
44. (12) Sri R. V. Ramarao Naidu

Education and Propaganda Committee:

- (1) Sri N. Satyanarayana (Chairman of the Committee)
- (2) Sri B. Venkataratnam Choudary, M.L.A. } *Ex-Officio.*
- (3) Dr. Sri P. Natesan, M.B., B.S., } *Members.*
45. (4) Sri D. Ramamohana Rao
46. (5) Sri P. Bayappa Reddy
- (6) Sri M. S. Palaniappa Mudaliar, B.A.,
47. (7) Sri V. V. Ramaswamy Nadar
- (8) Sri T. Narayana Pillai, B.A., B.L.,
- (9) Sri T. A. Ramalingam Chettiar, B.A., B.L., M.P.
48. (10) Dr. B. Natarajan, M.A., D. Litt.

Producers' Committee:

- (1) Sri M. P. Nachimuthu Mudaliar, B.A., B.L., (Chairman of the Committee)
- (2) Sri B. Venkataratnam Choudary, M.L.A. } *Ex-Officio.*
- (3) Dr. Sri P. Natesan, M.B., B.S., } *Members.*
49. (4) Sri M. Somappa
50. (5) Sri P. Chatu
51. (6) Sri S. Thirunavukkarasu Mudaliar
52. (7) Sri A. J. Arunachala Mudaliar
53. (8) Sri K. N. Sivam

Marketing Committee:

- (1) Sri P. Satyanarayana Raju (Chairman of the Committee)
- (2) Sri B. Venkataratnam Choudary, M.L.A. } *Ex-Officio.*
- (3) Dr. Sri P. Natesan, M.B., B.S., } *Members.*
54. (4) Sri B. Satyanarayana, B.A.,
55. (5) Sri A. Ramachandram Pillai, B.A., B.L.,
56. (6) Sri N. P. Swaminatha Pillai
57. (7) Sri Javvadi Lakshmayya
58. (8) Sri V. Chinnikrishna Naidu
59. (9) Sri V. Pasupathi Mudaliar

Representative of each of the Provincial Societies not represented on the Board.

60. (1) Dr. Sri K. Subbaramiah
61. (2) Sri B. Ramaniah
62. (3) Sri R. Venkatasubba Reddiar
63. (4) Sri V. Venkatachalam.

B. VENKATARATNAM,
President.

Telegrams :—'JILLABANK' CALICUT.

Telephone No. 203.

**The Malabar District
Co-operative Bank, Limited.
CHALAPURAM (KOZHIKODE)**

(REGISTERED IN 1917.)

Branch :—PALGHAT Pay Office :—CANNANORE
AS BANK FOR ONE & ALL

Working Capital Exceeds Rs. 2,00,00,000

Monthly News Page.

A Conference of the Representatives of Co-operative Wholesale Stores and Marketing Federations in Madras State was held in Madras on the 12th and 13th February 1951. Important subjects such as distribution of chemical fertilizers, iron and steel agricultural implements, pipes and fittings, allotment of mill cloth to co-operatives and procurement and distribution of food grains through co-operatives were discussed and many resolutions were passed. A similar conference was held at district level on 13th March 1951 at Vijayawada.

At a General Body Meeting of the Tirupattur Co-operative Urban Bank, Ltd., (Ramnad District) held on 11th March 1951, the audit and administration report were approved and a new directorate was elected with Janab P. P. S. Ayyathurai as President,

At a Conference of representatives of Harijan workers in the City, convened by Mr. T. V. Ratnam, Deputy Registrar of Co-operative Societies at his office on 5th March 1951. It was resolved to examine the possibility of reviving the Arunthathi Co-operative Leather Works in Perambur and to establish a similar works at Kirshnampet with Government loan and subsidy to encourage cottage industries for the benefit of Harijans.

Sri Ratnam explained the schemes drawn up by the Registrar of Co-operative Societies for the promotion of cottage industries for the benefit of Harijans. He said that there were ten such schemes, for weaving, tannery, manufacture of iron and steel, manufacture of leather goods, basket-making and mat-weaving, etc. A co-operative society with a membership of 25 could be formed to undertake one of the industries with Government loan and subsidy.

It was decided to explore the possibility of setting up two leather works.

Under the scheme for starting leather works, the Government would give an interest-free loan of Rs. 25 per head for 25 members per society. This loan would be repayable in 40 monthly instalments. Besides this, the Government would also give a subsidy of Rs. 2,000 for the construction of the workshop, Rs. 125 for tools and appliances, and Rs. 1,500 for a sewing machine per society. The Government would also place at the disposal of each society the services of a Junior Inspector of Co-operation and a leather instructor, the former to see the marketing of the goods produced, the latter for giving technical advice and supervision.

Mr. Mohammad Hiath Sahib, Special Development Officer, Madras, and Mr. D. Sankara Rao, Deputy Director, Harijan Welfare, attended the conference.

The Refresher classes for the Co-operative Departmental Inspectors were inaugurated by on 21st February 1951 at the Deputy Registrar's

Office, Madras by the Hon'ble Sri K. Chandramouli, Minister for Co-operation, Madras. Dr. P. Natesan, General Secretary, M.P.C. Union presided. In his address the Hon'ble Minister said that the Co-operative auditors should help societies to maintain accounts properly but should not simply be satisfied with finding out defects. He also said that women should take more interest in the Co-operative Movement. The President agreed with the views expressed by the Minister and also advised the Inspectors who assembled to be watchful and helpful to the Movement.

Mr. R. A. De Castro, Co-operative Administrator, Philippines Government, arrived in Madras on 9th March 1951 by air from Calcutta, Mr. De Castro, who is now on a study tour, has already visited the United States of America, the United Kingdom and other European Continental countries and has studied at first hand the working of the co-operative movement in those places.

Speaking to a representative of THE HINDU at the airport, Mr. De Castro said that in the United States the producers co-operatives were well organised. Next to America he found the movement run on sound lines in the Continental countries. He added that they in the Philippines had intended to start producers' co-operatives and credit co-operatives and that was the reason why he had undertaken the study tour to various countries.

Mr. De Castro was met at the airport by Mr. T. V. Ratnam, Deputy Registrar of Co-operative Societies, Government of Madras, Mr. De Castro visited various co-operative institutions in Madras such as the Madras Provincial Co-operative Union and the Madras Provincial Co-operative Bank, Ltd. and Madras District Co-operative Central Bank, Ltd. which he visited on 12th March 1951.

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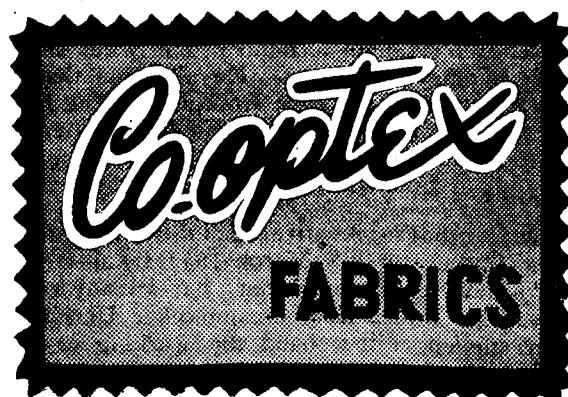
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REPORT ON THE WORKING OF The Madras Provincial Co-operative Union (from 1st July 1949 to 30th June 1950).

1. Period of Report.

The following is the report on the working of the Madras Provincial Co-operative Union, for the period from 1st July 1949 to 30th June 1950.

2. Membership.

The number of member societies as on 30-6-1949 was 717 and it increased to 724 as on 30-6-1950. The number of the members belonging to the various types of institutions are given below. As usual the Union sent appeal to many co-operative institutions to enrol themselves as members. The Associate Editor during his tours in connection with the production of films and for attending conferences of the Linguistic Federations contacted some of the institutions with a request that they should enrol themselves as members. In consequence there has been a little response. It is hoped that by constant personal contact and by persistent appeal more societies can be induced to join the Union. Members of the Board and other representatives of the member institutions are requested to take effective steps and enrol as many institutions as possible as members of this Union and as many individuals and institutions, like schools and colleges as possible as subscribers to the *Madras Journal of Co-operation*.

Name of Institution.	As on 30-6-'49.	As on 30-6-'50.
1 Provincial Institutions	.. 7	7
2 Central Banks	.. 80	81
3 Language Federations	.. 2	2
4 Urban banks	.. 126	129
5 Audit Union	.. 1	1
6 Land Mortgage Banks	.. 55	55
7 Local Supervising Unions	.. 175	172
8 Training Institutes	.. 4	4
9 Non-Members	.. 15	14
<i>Non-Credit Societies :—</i>		
(a) i. Wholesale Stores	.. 20	20
ii. Primary Stores	.. 170	170
(b) i. Marketing Societies	.. 20	23
ii. Loan and Sale Societies	.. 22	22
iii. Weavers Societies	.. 88	40
iv. Milk Supply Unions & Societies.	.. 13	14
v. Building Societies & Banks	.. 6	6
vi. Agricultural Societies	.. 9	9
vii. Other Societies	.. 2	8
viii. P. C. C. Societies	.. 2	2
Total	.. 717	724

During the year under report the Union endeavoured to promote the Co-operative Movement in the State in accordance with its objects. The following were the activities of the Union during the year under Review.

I. Assistance to Federations and other Members.

A subsidy of Rs. 1,000 each was given to the Tamil Nad Co-operative Federation, Coimbatore and the Andhra Desa Co-operative Union, Rajahmundry, which conduct the Tamil fortnightly Journal, *Kotturavu* and the Telugu monthly *Sahakaramu* respectively. Some interesting photo blocks showing the activities of some co-operative institutions in the West were also lent to the Tamil Nad Co-operative Federation for use in the *Kotturavu* Journal.

A subsidy of Rs. 250 each was also given to the *Kannada Sahakari* and *Parasparasahayi* published by the South Kanara Central Bank and the Malabar District Co-operative Bank respectively in the local languages. All these Journals appeared regularly and contributed their quota to the spread of the co-operative ideals in their respective linguistic areas.

A separate note on the working of the Language Federations is appended, since they form part of the Madras Provincial Co-operative Union. (Vide Annexure A).

II. The Madras Journal of Co-operation.

The Madras Journal of Co-operation continued to be published regularly every month. It continued to give its readers interesting and instructive articles on various subjects like Agriculture, Rural Welfare, Credit and Non-credit activities, Post-war problems and International Co-operation. Some new features added to the Journal were notes on the working of some multipurpose co-operative societies; ameliorative work among ex-tappers in the State; proceedings of the Conferences conducted by the Language Federations; news and notes relating to men and events at home and abroad and a research workers' corner. Another noteworthy feature of the Journal was a thorough change in the general get up and lay out of each issue. Paper of superior quality was consistently used for printing the Journal. With a view to add pictorial interest to the Journal an earnest attempt was made to publish photos relating to men and events in the Co-operative Movement at home and abroad. Quality real art paper was used for the purpose.

We are glad to state that the Journal was used as a medium of advertisement by some co-operative institutions of Madras and other States in India. With a view to popularise the use of the Journal as an advertisement mediums for co-operatives only, care has been taken to keep the advertisement tariff fairly low.

We may mention in this connection that the Manitoba Co-operator of America has testified that our Journal was interesting.

The cost of publishing the Journal during the year was Rs. 7,232 10-0 against which the subscription and the appropriations from membership fee amount to Rs. 11,473-11-0. The publication resulted in a net profit of Rs. 4,241-1-0.

The Journal continued to be very popular in Madras and elsewhere. Besides the affiliated societies which are entitled to a free copy each, the number of subscribers to our Journal amount to 640. We are glad to state that the Firka Development Officers and the Special Development Officers have been enrolled as subscribers and we thank the Government for this kind gesture.

There were a number of visitors to the Provincial Co-operative Union during the year. A list of the distinguished visitors is published as

Annexure B of this report. We have pleasure to state that they were impressed by the Journal and some of them were enrolled as subscribers. Specimen copies of the Journal were sent by the Union to the respective institutions which these visitors represented.

III. Co-operative Literature

There was a large demand for the Madras Co-operative Societies Act from Co-operative Institutions, Co-operative trainees, employees and the general public in Madras State and elsewhere. The Act was therefore brought upto date as on 30-9-1949 and published.

The Reserve Bank of India suggested that a Co-operative Map might be prepared by the Provincial Co-operative Union showing statistical details of the various types of Co-operative Institutions in the Madras State. Accordingly and in consultation with the Registrar of Co-operative Societies, Madras, a Co-operative Map was prepared. It was printed in colour, mounted on cloth, varnished and fitted with rollers and rings so as to present a fine finish at moderate price. The Map was very popular since it was the only one of its kind in all India.

A number of graphs and charts showing the progress of the Stores Movement and other aspects of the Co-operative Movement, and a number of posters bearing Co-operative slogans and ideals were also prepared. All these posters and other exhibits were sent to some exhibitions where they were much appreciated.

Reprints of interesting articles of some individual contributors were taken and distributed with a view to popularise the ideology presented by them in the various aspects of the Movement.

IV. Conferences and Exhibitions.

i. The XXVII Madras Provincial Co-operative Conference.

The 27th Madras Provincial Co-operative Conference was held at the Pachaiyappa's College, Chetput, Madras on 31st December 1949 and 1st January 1950 under the auspices of this Union. Delegates from most of the affiliated societies, Fraternal delegates from other Provinces and States and numerous public workers and officials attended the Conference. Among the distinguished visitors may be mentioned the Hon'ble Dr. Rajendra Prasad, the Hon'ble Sri P. S. Kumaraswami Raja, the Hon'ble Sri J. L. P. Roche-Victoria, Sri T. A. Ramalingam Chettiar, Sri R. G. Saraiya, Sri J. C. Ryan, Registrar of Co-operative Societies, Madras, all the Joint Registrars, Prof. Ashby of Oxford, Sir Manilal B. Nanavati of Bombay, Mr. Borron of the British Information services, the Registrars of Co-operative Societies, Nagpur and Cochin and Sri Varde of Bombay and Sri M. Anwari of Hyderabad. Sri B. Venkataratnam Choudary, M. L. A. President of this Union and Chairman of the Reception Committee welcomed all the delegates. The Hon'ble Sri J. L. P. Roche-Victoria, hoisted the Co-operative Flag and the Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of Madras inaugurated the Conference. Sri R. G. Saraiya, O. B. E., Chairman of the Bombay Provincial Co-operative Bank presided over the Conference and Sri T. A. Ramalingam Chettiar, B.A., B.L., Member of the Indian Parliament and President of the Madras Provincial Co-operative Bank opened the Cottage Industries Exhibition. Messages from His Excellency Sri C. Rajagopalachari, Governor-general of India, the Hon'ble Sardar Vallabhai Patel, Deputy Prime Minister of India, Prof. H. L. Kaji and others were read out at the Conference.

The Hon'ble Dr. Rajendra Prasad, now President of the Indian Republic, graced the Conference by his presence and delivered the Valedictory Address which was inspiring and enlightening.

Various problems relating to the Co-operative Movement in the State such as the institution of higher co-operative courses were considered by the Conference in detail and resolutions were passed for promoting the Movement in its various aspects. We are glad to state that the Conference was unique in as much as arrangements were made for holding it on a larger scale than ever before and vital co-operative problems were discussed thread-bare at it, under the wise guidance of Sri R. G. Saraiya, the President and with the co-operation of Veterans like Prof. Ashby, Sri T. A. Ramalingam Chettiar, Sri B. Venkataratnam Choudary, Sri T. Narayana Pillai. The presentation of the Government point of view at every stage by Sri J. C. Ryan, Registrar of Co-operative Societies, Madras and Sri K. Subrahmanyam Naidu, Joint Registrar of Co-operative Societies helped the official and non-official elements to arrive at practicable solutions of various knotty problems which cropped up during the deliberations.

The proceedings of the Conference were filmed in techni-colour.

This was probably the first film to be taken at a Co-operative Conference in the State.

The Cottage Industries Exhibition held as an adjunct to the Conference was useful and interesting. Several types of industrial co-operatives participated in it. Exhibits such as textiles, milk products, toys and leather goods were much appreciated by the visitors. Our thanks are due to all the Co-operative Institutions which participated in the exhibition.

There was a film show by the British Information Services Madras at the Conference premises at night on the first day of the Conference and we thank the exhibitors for the same;

A specially got up number of our Journal was issued giving all the proceedings of the Conference.

ii. Stores Conference:

The Government of Madras having prohibited the sale of mill cloth by Co-operative Wholesale Stores by a G. O. Ms. No. 6084 Dev. Dated 28-12-49 and G. O. Ms. No. 225 Dev. dated 17-1-1950 the Madras Provincial Co-operative Union took up the matter. An informal Conference of District Co-operative Wholesale Stores was held on 28rd April 1950 at the Office of the Union and after discussing the hard-ship laid on the wholesale stores and primary stores by the G. O., a Committee was elected to wait on the Hon'ble the Chief Minister and the Hon'ble Minister for Industries, Government of Madras and present a Memorandum requesting the Government to cancel their orders previously issued in the matter. The deputation consisted of Messrs. B. Venkataratnam Choudary, T. A. Ramalingam Chettiar, R. Ramakrishna Naidu, A. V. Subramania Iyer, B. Venkatachalam Pillai, N. Jaffar Mohideen, E. Loganatha Mudaliar and Dr. P. Natesan (Covener). The Deputation waited on the Hon'ble Minister for Industries. A Memorandum was submitted to the Hon'ble Minister explaining the hardship caused to the Wholesales and Primaries by the G. O. and requesting the Government to rescind their orders. We are glad to state that the Memorandum had a considerable effect and the

Government were pleased to modify their G. O. and permit the primary stores to deal in all varieties of cloth and to direct the Collectors of all districts to issue necessary instructions to the Mill quota holders.

iii. Exhibitions.

As a part of the Propaganda work of the Union, charts and graphs, coloured posters and maps of the Union were exhibited at the 27th Madras Provincial Co-operative Conference held in Madras. At the suggestion of the Registrar and at the request of the Indian Co-operative Union, Ltd., New Delhi, which held a Co-operative Exhibition at New Delhi, during March 1950, these exhibits were displayed at the stall of the Madras Handloom Weavers' Provincial Co-operative Society, Ltd., Madras to whom our thanks are due. It is gratifying to learn that our exhibits were much appreciated—especially the colour poster depicting the Co-operative way of life and the diagram showing how the Provincial Co-operative Union works.

Apart from this a general Cottage Industrial Exhibition was held as an adjunct to 27th Madras Provincial Co-operative Conference which was opened by Sri T. A. Ramalingam Chettiar. Mention has already been made about this Exhibition under Conference caption.

iv. International Co-operative Day.

One of the Methods of keeping the message of Co-operation fresh in the minds of its devotees year after year is the celebration of the Co-operative Day. This Day for Co-operators is one of re-affirming their faith in the Co-operative Movement and high ideals. During the year under report the Co-operative Day was celebrated in Madras on 5-11-1949, the Hon'ble Sri J. L. P. Roche-Victoria, Minister for Food, Madras, presiding. There was a very large gathering of Co-operators on the occasion. The declaration of the International Co-operative Alliance and the messages of Prof. H. L. Kaji and Sri T. A. Ramalingam Chettiar were read and adopted. Sri K. Subrahmanyam Naidu, Joint Registrar of Co-operative Societies, who had just returned from America read an interesting paper about his impressions on American Co-operation. Sri P. Marthandam Pillai and Prof. S. K. Yegnanarayana Iyer spoke about the practical problems confronting the Co-operators in India. We are glad to state that the Co-operative Day was celebrated at various centres in the districts and reports were sent to the Union for publication in the Journal.

v. Public Lectures.

During the year under report Dr. P. Natesan, General Secretary of this Union during his visit to Coimbatore on 14th March 1950 addressed the students of the Coimbatore Co-operative Institute, pointing out the important role which the Supervisors have to play in the Co-operative Movement and stressing the need for honesty on their part.

Sri Viswanathan Tekumalla, Associate Editor during his visit to New Delhi in August 1949 addressed the New Delhi Andhra Association on the progress of the industrial co-operatives in Madras. He also delivered some magic lantern lectures on prohibition and on adult education and Co-operation at some Adult Night Schools in Mylapore and at Mecca Gokulam in Triplicane.

V. Co-operative Training and Education.

During the year the four Co-operative Training Institutes imparted Co-operative Training in accordance with the new syllabus. The course was very popular at some of the Institutes. For instance at the Rajahmundry Institute the strength was increased from 83 in the previous year to 116 during the year under report, necessitating the formation of 2 sections. Two examinations were conducted by the Union during the year—the usual Supervisors examination and the other the supplemental examination for the non-credit trainees in April 1950 at the five centres namely, Coimbatore, Tanjore, Rajahmundry, Anantapur and Madras.

In pursuance of the new syllabus the trainees of the Supervisors course were sent soon after the theory examination for undergoing Practical Training to the concerned Central Banks. This training extended from 16th April 1950 to 15th June 1950 during which period they were attached to Co-operative Bank Inspectors and were made to visit several types of Co-operative Institutions. After Practical Training they were examined by the respective Central Banks and their progress reports and marks list were sent to this Union by the Banks for announcing the results. We take this opportunity to thank all the Central Banks for their sincere and wholehearted co-operation in making the new plan of education a success. We learn with pleasure that the institution of Practical Training was welcomed in all quarters. The following are the results of April 1950. Examination.

Supervisors Course.

April 1950—Examination Results.

Centre.	Appeared.	Passed in Class I.	Passed in Class II.
Coimbatore ...	67	8	48
Tanjore ...	142	6	94
Rajahmundry ...	116	5	77
Anantapur ...	89	2	21
Supplemental candidates in all the above Institutes ...	63	...	13

Non-Credit Training— 6 Months Course.

Supplemental Examination—April 1950.

Coimbatore ...	1	...	1
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During the year the Malabar Dt. Co-operative Bank proposed for the starting of a separate Co-operative Institute for Malabar so that the needs of Malabar and South Kanara district in respect of qualified hands might be met easily. This proposal was considered by the Madras Provincial Co-operative Union and at the meeting of its Executive Committee held on 23-4-1950 it was resolved to address the Government whether the Government were willing to finance the appointments of lecturers for a separate Institute for Malabar and if they were agreeable to call for a meeting of the Presidents of the Institutes and also representatives of concerned Central Banks to attend a meeting at their cost to find out their views and decide the matter. Till the end of the year under report the matter was pending with the Government and the Government were addressed through the Registrar of Co-operative Societies, Madras to decide the matter early.

VI. Information Bureau and Library.

The library of our Union is probably the largest Co-operative Library in Madras State. It has a good collection of books most of them relating to Co-operation and other nation building activities. Books to the value of Rs. 194-7-0 have been added during the year. We regret to note that in the year the Government did not give their usual library grant of Rs. 200 though the request was made in due time.

The Union gets nearly 30 inland and foreign Journals in exchange for the Madras Journal of Co-operation. The library and the reading room were made use of liberally by many of the member co-operatives in the City and in the districts and by some of the lecturers and students of the local colleges.

It has been proposed to throw the Library and the Reading Room open to the public so that the fullest benefit could be derived from the valuable collection of books and periodicals available at the Union. Rules for the conduct of the library and reading room as public institutions are now under preparation. In this connection we wish to point out that for an important institution like ours a study circle is quite essential. A study circle will give ample scope for people of learning and enthusiasm to meet and discuss vital co-operative problems. Such meetings if attended by leading Co-operators and Hon'ble Ministers and Government Officials may enable workable conclusions to be arrived at which would go a long way to influence Government policy.

VII. Research and Study of the Problems.

The five sub-committees for Marketing, Producers, Stores, Credit and Education keenly followed the progress of the Movement in their respective spheres during the year. A meeting of each of the Sub-Committees was held on 23-4-1950 in which important problems were discussed.

i. Marketing Committee.

This Sub-Committee recommended to the Reserve Bank of India that the scope of the term "Marketing of Crops" in the Reserve Bank Act Clause XVII-4(d) should be widened so as to include procurement operation and distribution of fertilisers and rural implements, like cart tyres in view of the recent policy of the Government, so that the Central Banks and other Co-operative Institutions might not be handicapped for want of adequate finance. It was also suggested that necessary amendments to the Act might be made for the purpose. This recommendation was communicated to the Reserve Bank of India and since this has necessitated an amendment to the Act itself the Bank's action in the matter is awaited.

ii. Producers' Committee

This Committee recommended to the Government that in the interests of the handloom weavers mills should produce in adequate quantities, yarn of 40s since it was in short supply and also that in future also the mills should produce only yarn of such count as were in demand by handloom weavers from time to time. It was also recommended that the export of 20th yarn outside India should be stopped. These resolutions were communicated to the Government of India and to the Registrar of Co-operative Societies. The Government have replied that as far as possible mills were producing the required counts for the benefit of the handloom weavers.

iii. Stores' Committee.

The Stores Committee took stock of the problems facing the Stores societies such as Government's decision to levy Supervision fees of 5 per

cent on the net profits of stores, the need for constructing godowns and business premises for Urban Stores and the need for the Central Stores to start processing activities for the purpose of maintaining themselves in the changed circumstances.

Regarding the Supervision levy the Committee resolved to protest against the said levy in view of the other dues that the Stores were paying in the form of audit fees and the like. This resolution was communicated to the Registrar of Co-operative Societies, Madras. A reply was received from him stating that the Government had already ordered the levy and that therefore no purpose would be served by protesting. We again requested the Registrar to move the Government for recalling the G.O.

Regarding the building of godowns and business premises the Committee resolved that it would cost Rs. 50,000 and Rs. 30,000 respectively for construction at district headquarters and taluk headquarters. The Committee therefore recommended that the Government might be approached for a subsidy of half the value or at least for a loan repayable in 20 years. The Registrar has communicated to us that in view of the present condition of state finance it is not desirable to approach Government for loans.

Regarding the starting of the processing activity such as oil crushing and coffee grinding, it was resolved that a beginning should be made by the Wholesale Stores in this direction. The Union addressed the Registrar of Co-operative Societies, Madras requesting that he might recommend to the Coffee Marketing Board that Coffee seeds might be supplied at concession rates to all stores for the purpose of producing Coffee Powder and selling it at fair prices. The Coffee Marketing Board itself was addressed in the matter and a reply was received to the effect that the sale of powder by Co-operative Stores would hit the depots of the Coffee Marketing Board itself and that therefore the necessary permission could not be granted. Supply of Coffee seeds at concession rates for sale at a fair price would however be continued by the Board in the case of co-operative stores.

iv. Credit Committee.

This Committee protested against in the increased Super Tax and Income Tax as revised by the Government of India and its applicability to Co-operative Institutions. We are glad to state that in this protest we were joined by the Bombay Provincial Co-operative Banks' Association also. The Central Government were requested to exempt all Co-operative Institutions from the enhanced Super Tax rate.

v. Education Committee.

(a) With a view to implement the resolution of the XXVII Madras Provincial Co-operative Conference relating to the institution of separate courses, one for Secretaries, Managers and Executive Officers and the other for Clerks and Accountants of the Co-operative Institutions, the Provincial Co-operative Union invited the views of the various Co-operative Institutions on the matter. The Committee considered the various views received and resolved that "it is desirable to have a comprehensive course of training for a superior class of co-operative employees to serve as Secretaries Managers and workers of the Movement." A course of 18 months of theory and 6 months Practical was recommended.

We may state here that this question has not yet been decided on account of various practical issues that are cropping up.

Another important question considered by the Committee was the need for providing a building for each of the Co-operative Institutes. Regarding this the Committee recommended to the Government that a building grant of not exceeding Rs. 30,000 to each of the Institutes might be given to cover 75 per cent of the cost of the building. The Institutes would have to find the balance from its funds. The Registrar of Co-operative Societies has recommended the same to the Government. The matter is now under the consideration of the Government.

The fixing up of holidays for the Institutes used to be done by the Registrar of Co-operative Societies. The power has now been taken over by this Union and the Union has been fixing up the holidays from the year under report.

(b) As part of the work of the Union some research on problems like handloom Weaving, rural savings and agricultural indebtedness were attempted by a few of the contributors to the Journal. An endeavour is being made by this Union to make research a regular feature of the work of this Union and to draw some interested students of Co-operation into this field. It is hoped that the contemplated study circle would help promote this branch of co-operative study and knowledge.

VIII. Rural Welfare Schemes.

As early as September 1948 a scheme for mass education and propaganda was prepared by this Union and submitted to the Government for consideration and sanction. The scheme which was estimated to cost Rs. 1 lakh a year, which was to be shared on a fifty: fifty basis by the Government and this Union was approved by the Provincial Co-operative Advisory Council. The Government however did not sanction it. During October 1949 the Government took up the matter again for consideration and at a meeting of the Hon'ble the Chief Minister, the Hon'ble Minister for Co-operation, Deputy Secretary to Government Development Department and the Registrar of Co-operative Societies and the General Secretary of this Union held at the Secretariat on 8-10-1949 it was decided that the question of general mass propaganda on a large scale as proposed by the Union should be postponed for want of funds and that instead a propaganda film for Co-operative Milk Supply and Cottage Industries should be produced.

IX. Funds.

During the year under report vigorous efforts were made to raise necessary funds in accordance with the by-laws. There were arrears which accumulated for years arrears to the extent of Rs. 7,000 Action was taken to collect them and during the year arrears to the extent of Rs. 3,675 were collected. We thank all those institutions and individuals for their response to our request. We take this opportunity to tender our grateful thanks in particular to the Madras Provincial Co-operative Bank for the generous grant of Rs. 10,000 from their Common Good Fund. We appeal to the other Provincial Institutions and the other large member institutions to follow suit and render adequate financial assistance to this Union which is devoted to the cause of Co-operation.

During the year a sum of Rs. 150 was paid to the Indian Co-operative Union towards annual contribution for the year 1949-50 and a donation of Rs. 150 was given to the Andhra Desa Co-operative Union for the XVI

Andhra Co-operative Conference held at Anantapur in November 1949. A donation of Rs. 20 was also given to the C.C.P. Works, Ltd., Madras for the printing of the Co-operative Diary for the year 1950. A sum of Rs. 25 was also given to the Hindustan Scout Association, Madras as contribution.

The working of the Union for the year under review shows an income of Rs. 59,580-14-0 and an expenditure of Rs. 39,797-14-0 showing a surplus of Rs. 19,783.

X. Tendering of Opinion on Matters of Policy.

As the exponent of the Non-official Co-operative opinion in the State this Union was approached by several co-operative institutions for opinion on matters of policy. On all such occasions—for instance on the levy of Supervision Tax by the Government from Co-operative Stores and the prohibition of the mill cloth sale by the Wholesale Stores and Primary Stores by Government Order this Union tendered its considered opinion and also took active part in contacting the administrative bodies concerned for redress of the grievances of the co-operative societies.

We may also state that the opinion of the Union was sought by the Registrar of Co-operative Societies on some important questions.

Relevant details of the opinion expressed by this Union have already been given under various headings in this report.

XI. Other Activities.

i. General Meetings.

(a) Board of Management.

The Board met during the year once on 23-4-1950.

(b) Executive Committee.

The Executive Committee met thrice in the year for disposing of the business of the Union and the meetings were generally well attended.

(c) Conference Sub-Committee.

For the purpose of arranging the preliminaries for holding the XXVII Madras Provincial Co-operative Conference, a Conference Sub-Committee consisting of Messrs. B. Venkataratnam Choudary, M.L.A., President of this Union, Dr. P. Natesan, General Secretary of the Union, K. A. Nachiappa Gounder, V. Jaggaraju and C. Tadulingam Mudaliar, Treasurer of this Union was constituted in June 1949. This Sub-Committee held its meeting on 17-7-1949 and resolved to hold the Conference during Christmas holidays in the year. Accordingly the Conference was conducted.

ii. Propaganda Tours.

Sri B. Venkataratnam Choudary, M.L.A. President of the Union, Sri Viswanathan Tekumalla, Associate Editor of this Union attended the XVI Andhra Co-operative Conference held at Anantapur in November 1949.

In October 1949 Sri Viswanathan Tekumalla, Associate Editor visited Alamuru to study the working of the Alamuru Rural Bank and other co-operative institutions of the place. In May 1950 he attended the Malabar District Co-operative Conference held at Badagara in Malabar. The results of his findings regarding the working of the Co-operative Movement at the various places were published in the shape of Editorial Notes and papers contributed to the Journal.

iii. Film Production.

Mention has already been made that at a meeting convened at the Secretariat by the Government on 8-10-1949 for considering the Union's scheme for mass education, it was decided to sanction production of Propaganda films by this Union. The Government diverted for this purpose the sum of Rs. 15,800 which used to be formally sanctioned for Panchayatdars Training Classes conducted by the Union. It was decided in consultation with the Registrar to produce two films, namely, Cottage Industries and Milk Supply Co-operatives in 16 m.m. with a total length of about 2,000 feet. Local Educational Film producers were contacted and it was decided to produce the film through the Educational Pictures, T. Nagar, Madras. A programme of work and the concerned scripts were prepared. During February and March and part of April 1950 the film unit accompanied the Associate Editor to the various centres for filming the activities of the various institutions concerned. The film Unit went to Coimbatore, Madura, Ramnad, Malabar, Nellore, West and East Godavari Cuddapah and Kurnool districts for the purpose. A considerable amount of footage in techini colour was produced but the work could not be completed for want of raw film. We have since addressed the Government to grant us a quota of raw film for completing the film. We have also addressed the Government to sanction the unused part of the subsidy of Rs. 15,800 for utilisation for film production during 1950-51 in view of the peculiar circumstances in which the work could not be completed during 1949-50. We are glad to state that the necessary sanction has been generously given by the Government.

Staff

Sri Viswanathan Tekumalla continued to be the Manager and Associate Editor of the Union. His basic salary was met by the Government and in April 1950 the Executive Committee of the Union was pleased to sanction a Dearness Allowance of 10 per cent of the basic salary to him. The Union gratefully thanks the Government and the Registrar of Co-operative Societies, Madras for their great interest in the Union and for the kind gesture made in this behalf.

Thanks

The Union tenders its grateful thanks to the Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of Madras, the Hon'ble Sri K. Chandramouli, Minister for Co-operation, the Hon'ble Sri J. L. P. Roche Victoria, Minister for Food and to Sri T. A. Ramalingam Chettiar, President of the Madras Provincial Co-operative Bank but for whose benevolent attitude this Union could not have achieved this measure of progress. The Union also thanks the Registrar of Co-operative Societies, the Joint Registrars and other Officers of the Co-operative Department for their keen interest in the working of the Union and the advice which they readily gave to the Union whenever it was sought.

P. NATESAN

General Secretary

T. NARAYANA PILLAI

P. S. GURUVA REDDY

Joint Secretaries.

ANNEXURE (A)

Working of the Language Federations

i. The Andhra Desa Co-operative Union, Ltd., Rajahmundry :

The Andhra Desa Co-operative Union has done another year of useful service during 1949-50, its 30th year of working.

During the year 1949-50 the membership increased from 709 to 724. The Union received Rs. 4,477-1-0 towards contribution, Rs. 428-4-0 towards subscriptions for the Journal "*Sahakaramu*" and Rs. 1,100 towards subsidy during the year.

The gross income of the Union was Rs. 11,835-9-3 and the gross expenditure was Rs. 7,008-13-7. There was a surplus of Rs. 4,826-11-8 during the year.

The Journal *Shakaramu* was published every month. The cost of publishing it amounted to Rs. 2,535-0-3.

The All India Co-operative Day was celebrated at Rajahmundry on 5-11-1949 enthusiastically.

The 16th Andhra Provincial Co-operative Conference was held at Anantapur on 19th and 20th November 1949, Sri R. Dasaratha Rama Reddy, Presiding. The Conference receipts were Rs. 4,112-14-0 and expenditure was Rs. 3,263-15-3 leaving a balance of Rs. 848-14-9.

Propaganda tours were made by Sri N. Satyanarayana, Editor, *Sahakaramu*, Sri P. S. Guruva Reddy, and Sri I. Satyanarayana, Secretary and Joint Secretary of the Union and Sri S. Krishnaswamy Manager in most of the Andhra districts and lectures were delivered on Co-operation.

A subsidy of Rs. 1,000 was given by the Madras Provincial Co-operative Union. A library grant of Rs. 100 was granted by the Government.

The organisation of a printing press as a wing of the Union was under active consideration.

ii. The Tamil Nadu Co-operative Federation, Ltd., Coimbatore :

The Tamil Nadu Co-operative Federation has done another year of useful service during 1949-50, its 22nd year of working.

During the year 1949-50 the membership increased from 192 to 210. The Federation received Rs. 1,818-6-0 towards contribution, Rs. 4,155-9-0 towards subscription for the Journal "*Kootturavu*" and Rs. 1,000 towards subsidy from the Madras Provincial Co-operative Union.

The Journal *Kootturavu* was published every fortnight regularly and continued to do its active service in the matter of carrying the Co-operative ideals to the rural masses of the Tamil Nadu. The cost of publishing the Journal amounted to Rs. 3,704-6-0.

4,000 copies of the by-laws relating to the multi-purpose co-operative societies have been printed by the Federation in the vernacular for the use of village societies.

The year's working resulted in a net surplus of Rs. 341-14-0.

ANNEXURE (B)

List of Visitors to the Madras Provincial Co-operative Union, during the year 1949-50.

1. Mr. J. S. G. Wilson, Research Worker, London School of Economics, University of London.
2. The Manager, The Scottish Wholesale Co-operative Society, Scotland.
3. Prof. Ashby, Oxford.
4. Mr. Thanu Satraphai, Department of Co-operatives, Bangkok, Thailand.
5. The Hon'ble Sri J. L. P. Roche-Victoria, Minister for Food, Government of Madras.
6. Sri S. Srinivas, President, Mysore Co-operative Institute, Bangalore.
7. Sri Madhavarao Anvari, Hyderabad Co-operative Insurance Society, Ltd., Hyderabad (Dn.)
8. Sri R. G. Saraiya, O B.E., President, the Bombay Provincial Co-operative Bank, Ltd., Bombay.

AUDIT REVIEW

By

SRI T. V. RATNAM,
Deputy Registrar of Co-operative Societies, Madras.

ON THE ACCOUNTS OF

The Madras Provincial Co-operative Union, No. 1130.
for the year ended 30-6-1950.

The accounts of the Madras Provincial Co-operative Union for the year ended 30-6-1950 as audited by Sri K. Radhakrishnan, B.A., Senior Inspector of Co-operative Societies, Madras, are passed. The statements of receipts and charges, funds available and obligations to be fulfilled and income and expenditure accounts as furnished by him are appended.

2. **Membership** :—The number of members as on 30-6-1950 was :

Name of the institution.	As on 30-6-49	As on 30-6-50.
1. Provincial Institutions ..	7	7
2. Central Banks ..	30	31
3. Language Federations ..	2	2
4. Urban Banks ..	126	129
5. Audit Union ..	1	1
6. Land Mortgage Banks ..	55	55
7. Local Supervising Unions ..	175	172
8. Training Institutes ..	4	4
9. Honorary Members ..	15	14

Non-Credit Societies :—

(a) Stores Societies ..	190	190
(b) (i) Marketing Societies ..	20	23
(ii) Loan and Sale Societies ..	22	22
(iii) Weavers Societies ..	38	40
(iv) Milk Supply Unions and Societies ..	13	14
(v) Building Societies and Banks ..	6	6
(vi) Agricultural Societies ..	9	9
(vii) Other Societies ..	2	3
(viii) P. C. C. Societies ..	2	2
	<u>717</u>	<u>724</u>

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

- (i) Contributions from member societies.
- (ii) Subscription for Madras Journal of Co-operation
- (iii) Subsidies and other miscellaneous.

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

	Demand. Rs. A.	Collection, Rs. A.	Balance. Rs. A.	Advance Collection. Rs. A.
Contribution, ..	14,284 12	9,568 12	4,721 0	7 0
Subscription ..	4,232 12	3,822 11	410 1	80 0

4. **Activities of the Union** :—

(a) *Madras Journal of Co-operation* :—The Journal was published every month. The cost of publication amounted to Rs. 7,232-10-0. Against this Rs. 11,473-11-0 was realised by subscription and contribution.

(b) *Library* :—The value of books on hand amounted to Rs. 3,166-14-0.

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

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

Meetings :—Three Meeting of the Executive Committee, One meeting of the Board and One meeting of all of the various Sub-Committees were held during the year.

Conference :—The XXVII Madras Provincial Co-operative Conference was held at Madras under the Presidentship of Sri R. G. Saraiya, O.B.E. of Bombay on the 31st December 1949 and 1st January 1950.

Miscellaneous :—Institutes : The Training Classes of Supervisors were conducted in the four Training Institutes at Coimbatore, Tanjore, Rajahmundry and Anantapur. The Union received a sum of Rs. 4,433-0-0 by way of examination fees etc. against an expenditure of Rs. 1,365-13-6.

T. V. RATNAM,
Deputy Registrar.

The Madras Provincial Co-operative Union, 1949-50.

STATEMENT NO. 1.—Receipts and Disbursements for the year ending 30th June 1950.

RECEIPTS.		Rs.	A.	DISBURSEMENTS.		Rs.	A.
Provident Fund Deposit from Staff	..	181	8	Provident Fund Deposit of Staff	..	420	0
Interest on Security Deposit to be invested	..	5	1	Security Deposit of Staff	..	5	1
Loans repaid	..	100	0	Security Deposit of Staff repaid	..	32	9
Interest on P.D. Account to be invested	..	57	0	<i>Purchases:</i>			
<i>Sales:</i>				Paper and printing charges for Madras Co-op. Societies Act	..	1,279	7
Sale of Copies Madras Journal Co-operation	..	27	14	Paper and printing charges for Syllabus copies..	..	244	5
Madras Co-op. Societies Act	..	1,873	0	R. B. I. Publications	..	51	9
Market Intelligence	..	4	13	Cottage Industries Books	..	72	0
Syllabus Copies	..	143	10	Loans issued to Staff on P. F.	..	250	0
Co-op. Labour (English Edition)	..	17	4	Sales returns (returned to Puttur Co-op. Town Bank.)	..	10	4
Do. (Tamil Edition)	..	39	12	Miscellaneous payments (Establishment and contingencies)	..	39,317	2
Co-opn. By M/s. W.R.S. S. and Ryan	..	13	4	<i>Adjusting Heads:—</i>			
Cottage Industries Books	..	90	0	Due to Society	..	8,506	6
R. B. I. Publications	..	99	14	Due by Society	..	1,687	7
Book-keeping books	..	10	0	<i>Investments Made:—</i>			
Maps and Charts	..	379	0	Library Books purchased	..	194	7
Guide to Co-operative Employees	..	24	0	Propaganda materials (Films produced)	..	1,200	0
<i>Adjusting Heads:—</i>				Propaganda materials (Films produced)	..	42,794	13
Due to Society	..	4,729	2	M. P. C. Bank: Account No. I.	..	9,523	9
Due by Society	..	631	1	Account No. II.	..	6,722	14
Miscellaneous Income as per Statement III.	..	56,834	1	Account No. III.	..		
Sale Proceeds of 30 magic lanterns	..	1,200	0				
<i>Investment withdrawn:—</i>							
M. P. C. Bank: Account No. I.	..	33,361	1				
Account No. II.	..	6,136	6				
Account No. III.	..	6,284	9				
Withdrawn from Security Deposit for payment to Accountant	..	32	9				
Total	..	1,12,274	13	Total	..	1,12,311	13
Opening Balance	..	37	0	Closing Balance	..	NIL	
Grand Total	..	1,12,311	13	Grand Total	..	1,12,311	13

STATEMENT NO. II.—Liabilities and Assets.

Obligations to be fulfilled.		At the end of the year.		At the beginning of the year.	
LIABILITIES.		Rs.	A.	Rs.	A.
Provident Fund for staff	..	1,601	8	1,363	0
Security Deposit from staff	..	255	1	282	9
Share Capital	..	105	10	105	10
Adjusting heads	..	3,306	5	4,362	11
Total Liabilities					
..		5,268	8	6,118	14
*Net difference between Assets and Liabilities					
..		64,082	0	44,299	0
Previous year's surplus					
..		44,299	0	0	
..		19,733	0	0	
Total					
..		64,032	0	0	

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STATEMENT No. III—Miscellaneous Income and Expenditure 1949-50.

INCOME			EXPENDITURE.		
	Rs.	A.		Rs.	A.
Annual Contribution (Current)	5,889	0	Annual Contribution (Advance)	4	0
" (Arrears)	3,674	12	Refund of M. J. C. Subscription	12	0
Madras Journal of Co-operation (Current)	3,429	14	Madras Journal of Co-operation—Printing	2,171	5
" (Arrears)	392	12	" Paper	4,597	6
" Postage recovered	4	8	" Postage	330	9
" Advertisement charges	1,511	10	" Miscellaneous & blocks.	133	4
" Printing charges recovered	18	0	Preparation of Maps for Artist	25	0
" Paper cost recovered	32	0	Binding charges paid for M. J. C.	11	15
" Miscellaneous & blocks	30	0	Purchase of Dailies	124	2
M. P. C. Bank grant received	10,000	0	Office printing charges	100	2
Government grant towards salary of Manager-cum-Associate Editor	3,150	0	Repairs of Furniture	204	12
Recovery of postage on publications	150	9	Miscellaneous & contingencies	575	2
Dividend on Shares:			Examination expenses	1,365	13
C. C. P. Works	Rs. 62	8}	Stationery	293	14
Co-op. Fire Insurance	" 5	0}	Salary of Staff	7,810	10
	67	8	Conveyance etc. to staff	134	2
Miscellaneous Income	17	2	Telephone bills	266	1
Examination fees collected	4,433	0	Bank charges	26	9
Telephone calls collected	0	8	Rent for Office	360	0
Radio cost received from A. G.	637	11	Office Postage	513	6
Interest on F.D. from M. P. C. Bank	225	0	T. A. for E. C. Meeting	434	14
Subsidy from Government for films	5,718	7	" for Board Meeting	1,302	13
Interest received from M.P.C. Bk. for Account No. I	42	0	" for Conference etc.	535	1
Account No. II—(Conference)			Subsidy to 4 Language Journals	2,500	0
Delegate fees received	1,693	0	Subsidy to 4 Training Institutes	2,000	0
Boarding and Lodging fees received	2,253	8	Account No. II—(Conference)		
Donations	6,050	0	Boarding and Lodging	Rs. 3,423	9}
Interest on Fixed Deposit	90	0	Establishment, T.A. Pandal etc.	3,343	14}
Miscellaneous Income	7	0		6,767	7
Suspense due by	505	0	Suspense due by	162	0
Sale proceeds of surplus rations	88	3	Suspense due to	14	0
Account No. III—Subsidy from Government	6,700	0	Miscellaneous expenses	292	13
Interest received from M.P.C. Bank.	22	14	Photo charges	30	5
	56,834	1	Tax paid for Pandal to Corporation	4	0
			Banobust charges for Police paid	28	14
			Account No. III—Cost of Non-official lecturers paid to Training Institutes	6,284	9
Gross Profit as per Trading Account	2,696	13		39,317	2
	56,538	14	Depreciation on Furniture and Library	480	12
				1,797	14